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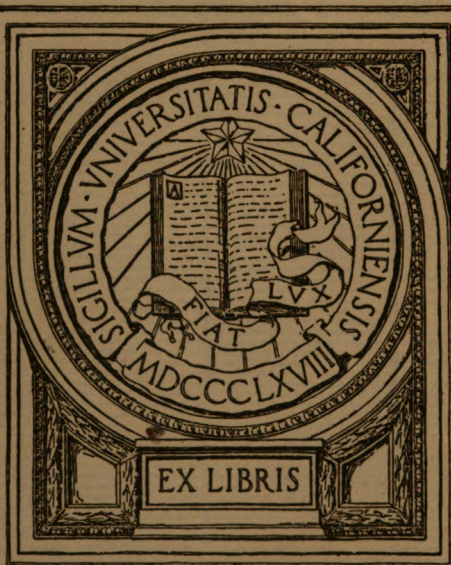
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THE
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Labor Problem

OR

THE INDUSTRIAL PROBLEM
AND ITS SOLUTION



BY EUGENE P. HOURIHAN

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TO THE
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The Labor Problem

Or

THE INDUSTRIAL PROBLEM
AND ITS SOLUTION.

("The New Democracy" Condensed)

A Small Book on Political Economy, Addressed Especially to Farmers, Laborers, Small Middle Men, and Reformers Generally.

—By—

EUGENE P. HOURIHAN.

Author of "The New Democracy" and
"The Evolution of Industry."

"The greatest problem in the world's history faces us to-day,"—and it is caused by the passing of the control of industry into the hands of a few.

ADDRESS, EUGENE P. HOURIHAN,
San Luis Obispo, California.

TO THE
ALBANY

Class of 1887

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INTRODUCTION.

NOTE TO THE READER:

"THE LABOR PROBLEM" is made up of the principal parts of four chapters taken bodily from "The New Democracy," another work by this writer. They are Chapters VII, VIII, IX and X, with an "introduction" and "conclusion." We publish them in this form for the reason that they alone make a powerful argument for our theory. Then, too, a little pamphlet circulates much more freely than a book. Ninety-nine will read a pamphlet where one has not the time to read a full work. In this way we hope to reach the public more quickly, wake them up to the present condition of things, and at the same time call attention to our other works.

We have two books worked out along this line. They are, "The New Democracy," and "The Evolution of Industry."

These works are not yet completed—at this writing—but they will be out in the course of a few months. As to their merits we have nothing to say. We wish to state, however, that each is a complete analyzation of its respective field, and is presented with the same care, clearness and fairness—we hope—that is shown here. IT IS THE TRUTH WE ARE AFTER, AND WE HAVE TRIED TO PRESENT IT JUST AS WE SEE, without any exaggeration or deterioration.

Some may think that we are over-careful in our arguments and repeat the main points too often. But this is done with a purpose. We are trying to reach "the masses" and not all are as capable of seeing as others. If any, then, should think us over-careful in our efforts to be clear, we hope they will overlook it. We may not be for some.

July 20, 1902.

EUGENE P. HOURIHAN.
San Luis Obispo, California.

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The Labor Problem

SYNOPSIS

As this pamphlet begins with the seventh chapter of "The New Democracy," we wish to give a brief synopsis of the preceding discussion so that readers may have no difficulty in proceeding.

In the first place we claim that the "GREAT INDUSTRY" IS THE PEOPLE'S INDUSTRY CENTRALIZED. Industry is now changing. It is going through a process of centralization. This since the introduction of STEAM POWER on a large scale. STEAM POWER made possible the operation of industry by mechanics, and that, too, on a vast plan. In short, it gave rise to the "great industry."

The "great industry," run on such a plan by steam power and machinery is capable of producing much more cheaply than independent industry. For this reason it is coming in and taking the place of that system. It is crushing out the old system and absorbing the field unto itself. It is a cheaper and better system and it is bound to have its way. Nothing can stop it, as trade always patronizes the cheapest, regardless of consequences. In other words, industry is now in the act of revolutionizing. Like everything else, it is going through a process of evolution—and that, too, for the first time in history. It is passing to a more economical state—IT IS CENTRALIZING. It is passing from the independent to the centralized state, and the "great industry" is the result—A CHEAPER SYSTEM.

Where, for example, boots were formerly made by 100,000 independent shop-keepers, they are now made by one great concern run by steam power and machinery—a cheaper system! The independent boot-makers could not compete. They had to leave the field and get out on the streets, while all the business passed into the hands of this one great concern. IN THE LAST FEW YEARS THE LARGER PART OF INDUSTRY HAS PASSED THROUGH THIS PROCESS. BUT IT IS THE PEOPLE'S INDUSTRY STILL. IT HAS SIMPLY CHANGED FORM—that is all.

In view of these facts we claim that ALL THESE "GREAT INDUSTRIES" ARE THE PEOPLE'S INDUSTRY CENTRALIZED. That they have absorbed and now involve the people's means of existence—the means they before ran independently, and, for this reason, they should be owned—or controlled—by the people and be run by them for their own benefits and not for the enrichment of the few into whose hands they have passed.

We claim that it is not because our system has changed—has bettered—that we should allow it to pass out of our hands entirely; that we should allow a few to monopolize it and take all the benefits of it, while the masses are shut out on the streets and forced to become their "wage slaves"—and that, too, at their terms. We are as much dependent on these means as ever—they are ours—and we should have something to say about them—we should have an equal voice in them. We cannot destroy them—neither should we. They have come to stay—a BETTER SYSTEM. But as it is now a few have all the benefits of them. There is but one thing to do: we must take them—they must pass into our control. There is no alternative. They are ours anyhow!—IN A NEW FORM.

The whole drift of modern thought is this way. Just now the Hearst newspapers, the greatest newspaper circulation in the world—by far, reaching 10,000,000 readers and heading and voicing the sentiments of the great Democratic Party, is vigorously advocating this same thing and for these same reasons. A tremendous landslide of public opinion!—and all within a few months. (Read the editorials in the Hearst newspapers.)

However, move slowly but steadily—at first. Then faster. Take some and regulate others in the meantime—until we get ready to take them too.

Begin on the MUNICIPAL UTILITIES—the street cars, the electric plants, the water plants, etc.

At the same time reach out for the railroads, the telegraphs, the express, the telephone, etc.

Later, start for the "great industries" and move on to a finish.

Honestly pay for every industry taken and at its real value, although they did not do as much when they took them from us. They took them without paying for them; they crushed us out.

In paying for them charge a rate for their use and thus make each industry pay for itself.

AT This would be cheaper, too, than it is now. As it is now the private owners charge a very high rate. They make the "industry" pay for itself, pay its running expenses and pay them a large profit besides, while we would have to charge only enough to pay for the plant and pay its running expenses. THERE WOULD BE NO PROFITS. Hence, the rate would be lower. THUS WE WOULD SAVE MONEY EVEN IN PAYING FOR THEM. And so it has always proven under public ownership.

The first thing a city does after buying its water plant is to lower the rate—and yet it pays for it even at that. The rate is always lower simply because there are NO PROFITS—paid out.

Some people feel that this tendency would be increasing our expenses when in fact, as you see, it actually decreases them.

We save money by the change—and so the statistics prove.

But all this is brought out in the following discussion.

The reader can have no difficulty now in proceeding.



CHAPTER VII.

How Regulate and Run Them.

(1) IN THE NEXT PLACE WE WOULD SHORTEN THE HOURS—OR THE TIME OF LABOR—SO EVERY ONE CAN HAVE A CHANCE TO WORK.

This brings us to a discussion of the LABOR PROBLEM.

The Labor class has grown until it is by far the largest class in society. And by the term "labor class" we mean all those working for a salary—or wage—from the highest to the lowest; the employee class generally—all dependent workers as contra-distinguished from independent ones.

As we say, this class has grown until it is now by far the largest class in society. According to the Census Reports of 1890—the latest codified at this writing—it included almost exactly twice as many members as all other classes put together; that is 66.26 per cent of all persons occupied—no matter how. In other words, that year showed 22,000,000 persons engaged in gainful occupations, and the employee class made up over 15,000,000 of these. They then, with their families, make up the great bulk of the American population. So you see their importance.

This, too, shows how far industry has centralized. If the Labor Class is large it is because industry has centralized to that extent—more or less.

Formerly, this class did not exist—as a class—to any great extent. Then industry was free and independent and every one had a chance to engage in it, which he usually did in some line or other.

But with the progress of centralization all has been changed. Now the great industry under the control and management of a few and because of its cheaper facilities is coming in and taking the field, thus crushing out the independent workers and forcing them into the "labor class." Hence, the growth of this class—as a class—the "employee class." Thus, it has grown until it is now by far the largest and the most important class in society, and its growth is likely to continue too—as long as centralization continues on the other side. This change is inevitable. It cannot be stopped. As industry cen-

tralizes in that proportion are the workers squeezed out of and transferred from the independent to the dependent fields. They naturally seek employment here after being squeezed out elsewhere. Indeed, there is nothing else left for them to do. And here together as employees they do the work they did before—the producing, etc.

They are the ones that have always done it, but they do it now as dependents—that is “collectively” where there they formerly did it as independents. This change is inevitable. It cannot be stopped. To do so we must first stop the tendency of industry to centralize and that, as we have seen, is now an impossibility—since the advent of steam power and machinery. It is a change of position forced on the workers by the forced change in the nature of industry itself. No one is responsible for it. It comes naturally as a feature of the “new industry.” It is economy; COLLECTIVISM taking the place of INDIVIDUALISM,—the last step in the “division of labor.” But it must not be supposed that the worker in this new position is NECESSARILY inferior to his former self, as so many seem to think. On the contrary he should be superior,—just in proportion as the new system is superior to the old one; and if he is not it is because this new system is not properly regulated. He is not getting his due. Yes, it is in the hands and the control of a few who are taking most of what is produced under it. Here is where the trouble is, and this is why the worker in this new position is not as well off as he should be. We shall prove this later—when it can be made more evident. Let it pass for the present. THE FAULT IS NOT IN THE SYSTEM BUT IN THE CONTROL: THE SYSTEM ITSELF IS SUPERIOR AND SO SHOULD THE WORKER’S POSITION BE IN THE SAME PROPORTION—IF JUSTICE WERE DONE. Let this be remembered.

Continuing, this then is the situation: The employee class has grown until it is now by far the largest class in society,—in 1890 having twice as many members as all other classes put together—no matter how occupied. And no doubt its growth will continue, too, as long as centralization continues on the other side, in proportion with the squeezing out of independent workers; in proportion with the change in the system itself. This is one side of the picture. Now let us look at the other. On THIS side we find that improving (labor saving) machinery and other such means are making less chance for labor.

OBSERVE THE SITUATION:—THE “GREAT INDUSTRY” TAKING ONE FIELD AND “MACHINERY” THE OTHER! Millions squeezed

out and forced to become dependent workers, only to find that they are not wanted,—machinery having taken their places. Forced from the independent to the dependent fields, and from there out on the streets! The consequence?—large numbers left without anything whatever to do. And the statistics prove this to be true. For instance, in 1890, 3,523,730 persons were out of employment—at some time during that census year; that is one-fourth of the labor class, or nearly one-sixth of all persons engaged in gainful occupations,—no matter how, independently as well as dependently, professionally, clerically and every other way. Just think of it! And yet 1890 was a good year, comparatively—for those in control. (The great crisis did not break until 1892-3.) They were prospering, making their millions and wondering “why the tramps don’t go to work,” and yet one-fourth the labor class was out of employment—unable to get anything whatever to do, starving—yes some of them actually starving; “one-sixth of all persons engaged in gainful occupations,” and all this on a good year! At this rate what was the number in 1896, during the great crisis—or during any great crisis? Probably one-half—or more. Strange, is it not? “Go to work?” What could they do? What was left for them to do? They were not wanted. The demand was fully supplied without them. Every opportunity—gone,—“neither to the right nor to the left.” The “great industry” taking one field and “machinery” the other; the “great industry” forcing them from the independent to the dependent fields, and then, “machinery” coming in and forcing them from there—out on the streets.

This is “The Labor Problem,” one of the greatest problems in the world’s history. It faces us today unavoidably, and we must face it. We cannot avoid it. Indeed, it is bearing down on us rapidly—in proportion as centralization is progressing on one side and mechanical improvement on the other. Every improvement only tends to make matters worse, machinery thus becoming an evil instead of a benefit—so many more out of employment. With every improvement it is the same. Results upside down—“progress and poverty” indeed. You see, there must be something wrong—or why these odd results? What is it?—the very thing we have been pointing out all along. It is that THE CONTROL OF INDUSTRY HAS PASSED INTO THE HANDS OF A FEW—WHO ARE RUNNING IT NOT AS IT SHOULD BE BUT AS IT BEST PAYS THEMSELVES—TO THE INJURY OF ALL THE REST. There is where the trouble is. It is not apparent

here but we shall prove it later on. And we shall endeavor to make it so clear that it cannot be disputed.

Yes, this is the **LABOR PROBLEM**. It is a pretty bad state of affairs is it not? But worse still it gives rise to many other problems still more serious.

In the first place many of those squeezed out, in the absence of other opportunities, are forced to resort to crime. They are forced to, mind you. They must live some how. Millions have turned to stealing, to swindling, to faking, to prostitution, etc., etc., etc., leaving aside the large numbers tramping, begging, living on others etc. Of course, there are many unworthy ones among these. There always have been. We all admit that. But we are speaking here of the large numbers now forced to this condition.

Statistics show that crime is now growing at a fearful rate, especially such crimes as relate to property, such as larceny, robbery etc. According to the Census Reports, in 1850, but 1 person out of every 3,542 was in prison. In 1860 it had increased to 1 out of every 1,647; and again in 1870 to 1 out of every 1,171. In 1880 it had still further increased until it was 1 out of every 855; and in 1890 to 1 out of every 757. Do you see? A steady increase and a fearful one at that. "In 1850 but 1 out of every 3,542; in 1890 to 1 out of every 757." In other words, there were 5 criminals in 1890 where there was but 1 forty years before—**TO THE SAME NUMBER OF PEOPLE, MIND YOU**. Now, what is the cause of this? No doubt it is due primarily to the defective economic conditions,—to want—enforced want—and not so much to the "moral degeneracy" of our people as some of our narrow thinkers would have us believe.

Notice, that this increase runs collaterally with the passing of the control of industry into the hands of a few,—the last half of the nineteenth century. As an evidence tending to prove that "want" is the real cause, New York and Illinois furnish statistics which go to show that crime increases enormously during bad or crisis years; "thus showing conclusively," as the Report states, "that want is the one great cause of crime." Assuming this to be true it is evident then that "want" has increased enormously during the last half century (judging from the fearful increase of crime), in spite of the tremendous increase of wealth during this same time. Yes, but it has all gone into the hands of "the few" who now control the means. There is where the trouble is. The masses are left worse off

than ever. And as a consequence we have billionaires on one hand and paupers and criminals on the other. Germany and England furnish statistics showing the same thing as to the increase of prostitution and other crimes. These can be found in my work on "The Evolution of Industry." All these problems are fully discussed there.

And in speaking of criminals Prof. Jordan well shows in his "Footnotes to Evolution" that "parasites" are largely the result of over-competition in the animal world. In the struggle for existence the weaker or less competent ones are squeezed out. Many of these turn to then, fasten themselves to, and live on others. In short they become "degenerates," or "parasites"—CRIMINALS. They live by unfair—by illegitimate means. This might be called DEVOLUTION, or a backward flow of EVOLUTION, caused by "over-competition." The same thing is true exactly of the INDUSTRIAL world today. BUT THE CAUSE IS DIFFERENT. In this case it is caused, not so much by incompetence, as by the monopolization of the means in the hands of a few. Good and bad are squeezed out and affected alike; and many are forced then to resort to illegitimate means in the absence of other opportunities. "They must live somehow." In a word they are forced to become "industrial parasites."

Again, large numbers are crowding into the little independent fields that have not yet centralized to any great extent. They crowd in here in search of opportunities; but do they find them? No sir,—not at all. On the contrary they only tend to lessen the opportunities of the others by so much, thus forcing many, if not all, to resort to the lowest and basest tricks in order to succeed at all. Turn around and you can see a dozen or twenty little shops or stores struggling desperately to live where there is room or need for but one or two. Some of our small shop-keepers work extremely hard, and fret their lives away. And how many are forced to cheat and swindle, to adulterate and—everything else—in order to make ends meet, only to fail in the end perhaps,—undermined and crushed out by others still more unscrupulous. The most unprincipled succeeding the best. "The survival of the fittest," this? No, but of the unfittest—of the crookedest. Oftener it is the WORST and not the BEST. It has gotten so now that it is almost impossible for a man to be honest and succeed. There are so many in the field that many are forced to resort to unprincipled means in order to hold on, and then others

are forced to do the same, if they would hold their own,—the most unprincipled setting the pace. Thus we find the great principle of "Evolution" turned upside down—working backwards,—the result of the present defective economic conditions.

Again, many are crowding into the professional fields. As a consequence we have several times more lawyers and doctors and other such men than there is room or need for. Indeed, the field has become so overcrowded that the average doctor is left starving for the want of practice; and then, when he does get a patient, he often becomes more interested in making or in keeping him sick than in curing him. In short, he turns "parasite" and lives on him while he can—while there is anything left. The same is true even to a far greater degree of lawyers. Go to one and it often happens that you get into trouble instead of getting out of it,—that is if you have anything. It is no exaggeration, the law profession has, to a very great extent, degenerated in to "a trade for tricksters," and the most unscrupulous wins. It is not so much "ability as bluff." In other professions it is very much the same. Go to a druggist and—you'll get drugs all right. But we are not blaming them so much as the conditions that make them. They are forced to all this. "They must live somehow" in the absence of their natural opportunities.

The same is true of the labor class. Because of the large numbers out of and seeking employment, the competition, or eagerness to secure work at any terms has become so fierce;—in short, they have underbid and underbid one another until they have dragged wages down to the "minimum of bare existence;" that is, where there is not a labor organization. It is a condition brought about by the defective economic conditions of today,—the overfilling of the "labor class." As we have seen many of these are out of employment entirely, while others are working for little or nothing; but the larger share has crowded into the lesser fields in their desperate efforts to get something to do; and if you do not see so many walking the streets you can find them here, often in the most abject circumstances. And the small trades and professions are suffering as a consequence.

So, too, with the clerical force. Hundreds of these fine gentlemen are walking the streets—idle; others are starving on a mere pittance, and yet they dare not complain, as there are hundreds ready and only too willing to take their places.

We find many resorting to "bookselling," to canvassing

etc. Indeed, there are so many engaged along these lines that they have come to be looked upon as "petty frauds." In fact, everything is overdone,—desperately so. Even school-teaching;—there are a hundred teachers for every school. Young women, unable to get anything else to do, prepare themselves for teaching school, only to meet—bitter disappointment.

Look at the farmers. There are so many in the field that it is almost impossible for them to make a living. And the best evidence that the farming business is now overdone,—in view of the mechanical improvement of today—are the gluts and crises we are coming to have every few years. An dyou know what they are. But we shall have more of this later on.

The "sweat-shops!" Ah, what a loud tale they tell!—to those who understand the conditions. "Sweaters" are a class of people who sew for a living. They usually work by the piece. The New York Board of Health reported in March 1899 that they found "men, women and children working 18 hours a day and the highest earnings amounted to but 45 cents." It shows how fearfully overcrowded the labor class and the small trades have become, and to what extent some must go in order to live. Slavery?—why, the slave was better off than that. And yet some of our very patriotic "jingo" orators would tell us that we have no slavery today. No, but there is such a thing as "wage slavery" and it often outdoes the other.

In discussing the overcrowding of the middle class we forgot to mention the injury done by adulteration. There can be no estimate of the large numbers injured by adulterated goods. Some may be blaming something else but suffering, really, from the poisoning caused by the use of such articles. We just heard of a drummer making the remark that should a law be enforced prohibiting them from selling cheap adulterated articles it would do more harm than good. He said that they sell the retailers what they call for, and in nine cases out of ten they want the cheap article because it is the only kind they can sell. It shows the straitened circumstances of the masses. Often, too, the retailer sells it as the pure article. He must make ends meet somehow.

Women, too, as a class, have suffered as no others have. With the inccming of the "great industry" their home trades, such as weaving, etc., have been taken away, and they are now forced to follow them to the factories. Here they are thrown into competition with men and as a consequence the

competition to secure work is made still fiercer. In fact, men are now being replaced in the larger factories by women and children. The reason is clear. Most of the heavy work is coming to be done by machinery; and as for the lighter work a woman or a child can do it as well as a man, and can be had for a cheaper wage. Too, they are more servile and are less apt to strike. Of course our great "captains of industry" figure on all these things.

In this connection we might refer to prostitution. Germany and England have furnished statistics which go to show that the great cause of the increase of prostitution is due to this same thing. At best woman has not 1-10th the opportunities that a man has. And with the taking away of her home trades she has been left worse off than ever. No wonder then if many are forced to their last resource. In all the large cities this class has grown to fearful dimensions; and many of them have the heartfelt sympathy of those who understand the conditions that make them. If some of our petty reformers would put more efforts in trying to remove the cause instead of trying to cure the evil—the "social evil," as they call it—they would accomplish more.

Finally, some commit suicide! "The total increase in suicide has been nearly six times as great as the rate of increase in the general mortality. In 1861-5 there was one suicide to 348 deaths. In 1895-9 there was 1 in every 198. (In other words), where there used to be 100 deaths from suicide in proportion to the general mortality there are now 175,"—the cause of this? Judge for yourselves.

Every city, too, has come to be crowded with fraudulent and improper trades. And if you see an excess of them wherever you go you may know the reason why. But we need not continue here. All these problems are fully discussed in my work on the "Evolution of Industry." Read Part II, "Effects." It is a complete analyzation of the "evils" resulting from the passing of the control of industry into the hands of a few. We could go on for a week citing instances were it necessary. But, having the situation in mind, anyone can observe them for himself.

We are today passing through one of the most corrupt and lamentable periods in the world's history. This is no exaggeration. The very condition of industry itself proves it. All these evils are the product of the monopolization of industry, as we shall see later, and there never was such a thing before.

Society is degenerating into a polluted mess,—decaying—rotting—its every function poisoned. Remember, Rome fell—and others. Rotted—fell! Corruption is growing at a fearful rate. And fraud—everyone practising it,—forced to, mind you. The observing person cannot turn around without detecting it—everywhere, and, if he is at all a student of social questions he knows at once the cause. As we stated before NEARLY ALL THIS IS CAUSED BY THE PASSING OF THE CONTROL OF INDUSTRY INTO THE HANDS OF A FEW,—who are running it not as it should be, but as it best pays themselves. In fact, nearly all our social and industrial evils today—and we never had more—are due primarily to this one thing. Of course, it is not apparent here. This is a mere statement,—we have not proved it yet—but we shall do so directly. And we shall endeavor to make it so clear that it cannot be disputed.

CHAPTER VIII.

The Problem Continued.

This then is the LABOR PROBLEM,—and the EVILS resulting from it. We have stated the CAUSE. We have now to PROVE it. Now, WE WOULD SOLVE THIS PROBLEM BY SHORTENING THE HOURS—OR THE TIME OF LABOR—SO EVERYONE COULD HAVE A CHANCE TO WORK—in some legitimate line. In a word, WE WOULD SHORTEN THE HOURS IN PROPORTION WITH THE IMPROVEMENT IN MACHINERY,—or more so, if necessary;—that is, WE WOULD PUT THE CONTROL BACK AGAIN IN THE HANDS OF THE PEOPLE SO THEY COULD DO THIS,—SO THEY COULD REGULATE IT FOR THEMSELVES.

What does the private owner do now? DIRECTLY THE OPPOSITE! Ah, there is where the trouble is. He is the one that gives rise to all this. INSTEAD OF SHORTENING THE HOURS, WHEN A SHORTENING BECOMES NECESSARY, HE SHORTENS THE NUMBERS (the number of workers), THUS GIVING RISE TO THE PROBLEM. There is the difference. It must be remembered. It is very important. He does so because it pays him best.

And there is no one to stop him. He has the control,—the ABSOLUTE CONTROL. We have lost all voice in the matter.

For instance, here is a "great industry." As usual it is in the hands of one,—or a few, at most. They control it, own it, and run it for themselves, and for all there is in it,—naturally. "That is what they are in the business for." And, no doubt, others in their places would do the same. Such is the nature of monopoly. In a word, they run it "as it best pays"—themselves.

Too, let us suppose that this industry fully supplies the demand for some particular article. And to do so it employs 10,000 men who work 10 hours a day. And no more can be supplied. Let this be remembered. THE DEMAND CANNOT BE EXCEEDED.

To do so is to cause a glut; the price is then destroyed and the product cannot be sold,—NO DEMAND FOR IT. As a consequence, that industry is forced to SLOW UP, or CLOSE DOWN entirely,—for a while at least. No, the demand cannot be exceeded,—not under the present system of industry. Neither can any more secure employment in this field,—for the same reason. They are not wanted—needed. The demand is fully supplied without them,—and that is the limit. In short, 10,000 men at 10 hours a day,—and no more. This is the situation.

Now, then, supposing a new machine comes in that saves half the labor;—a "labor-saving" invention. Who profits by this? Is it the worker? Does it save half his labor?—as it would seem, naturally. No sir, he gains nothing. On the contrary he (and his fellowmen) lose in proportion to the savings in the improvement. THE FEW IN CONTROL TAKE IT ALL. See here. They employ this machine and then reduce their labor force to one-half, thus reducing their expenses by that much; thus, their profits are doubled, and they soon become—billionaires. No wonder! Brains—ability this? No, but opportunity. The exceptional opportunity afforded by monopoly. In short, they control the situation and they take advantage of it. Any blockhead in their places could do as well.

Yes, they are the ones that get all the benefit of this improvement. They take it, and take it all, because they are in a position where they can. And so it is everywhere, wherever the control of industry has passed into the hands of a few. On the other hand, the workers, the very ones that

should be benefited, gain nothing. But worse,—they lose by that much. They lose in proportion as the machine saves. See here. The 5,000 retained go on working as before,—the same wages, the same hours, etc. They gain nothing. They are no better off. While the others—the 5,000 displaced—lose everything,—their positions, their incomes, their—“everything.” And it is not so easy to get something else to do,—almost impossible now, in fact, as the same thing is happening everywhere. More are going out than can get in.

Let them turn to INDEPENDENT industry and there is the “GREAT INDUSTRY” taking that field. “More going out than can get in.” Turn now to the DEPENDENT fields and here is the “machine” taking this. Here, too, “more going out than can get in.” Forced from the independent to the dependent fields and then—out on the road.

What, then, can they do? What is left to do? Nothing! They are not wanted! The demand is fully supplied without them, AND THERE IS ROOM FOR NO MORE. As a rule, then; they are forced out of the field of industry ENTIRELY, dependent as well as independent; forced out on the streets to tramp and starve; to beg, to steal, to fake and resort to every other form of crime, as pointed out, else to crowd into and still further overcrowd the already overcrowded lesser fields with the fearful results as shown. In short, to give rise to the LABOR PROBLEM with all the EVILS resulting from it. It is easy to see here where the real trouble is. THIS LINE OF INDUSTRY HAS PASSED INTO THE HANDS OF A FEW WHO ARE RUNNING IT NOT AS IT SHOULD BE BUT AS IT BEST PAYS THEMSELVES AND WE ARE ALL INJURED AS A CONSEQUENCE. THAT IS, THEY ARE TAKING ADVANTAGE OF EVERY IMPROVEMENT IN THE MACHINERY AS A MEANS OF LESSENING THE NUMBERS OF WORKERS, INSTEAD OF LESSENING THE HOURS OF WORK AS NATURALLY SHOULD BE DONE. They are doing so because it pays them best; and there is no one to stop them as they have the control,—absolutely.

In short they are taking to themselves all the BENEFITS of of improvement, with the same act giving rise to all the EVILS that must result from such an act. In fact, nearly all our social and industrial evils today are due primarily to this one thing,— TO THE MISMANAGEMENT OF THE CONTROL IN THE HANDS OF A FEW. In this way they are turning a GOOD THING into a BAD THING; machinery and all improvement, generally, becoming an INJURY instead of a BENEFIT—so

many more out of employment,—and the greater the pressure below. Results upside down! Understanding the situation let us now go back and review the whole field from a deeper standpoint.

For instance, here is a line of industry, or several lines of industry. They centralize. In doing so they pass from the independent to the centralized state. They change form—that is all. And with the same act, and because of it, the workers are transferred in the same way. Their independent means are crushed out, and as a consequence they are forced to become the dependent workers in the “great industries” that have taken their places; that is, what of them can secure employment here. In short, they are doing the same work as formerly, or as the workers formerly did in these lines; that is, the producing, etc; but now they do it COLLECTIVELY—that is together—where they formerly did it SEPARATELY. That is the difference. The greater part of industry has changed form in this way; and so too the workers, as shown by the size of the labor class in 1890; being “twice as large as all other classes put together.”

But this is the people's industry still,—or it should be.

It has simply changed form—that is all,—CENTRALIZED.

Too, the workers under this new system should be better off than ever,—in proportion as the new system is superior to the old one. And it must be superior or it would not have crushed it out. As shown in a former chapter, with its steam power and machinery and when run on a vast scale it is capable of producing far more cheaply and quickly and far more abundantly than the old system. In short, it produces more in less time. Then the workers should be that much better off,—in the same proportion. AND SO THEY WOULD BE, TOO, IF THEY GOT ALL THEY PRODUCED, AS THEY DID BEFORE.

For instance, if this new system produces twice as much as could be produced under the old one in the same length of time, then the workers ON AN AVERAGE should be twice as well off,—“in the same proportion,” mind you. So, too, if machinery comes in their advantages should improve in proportion with its savings. If a machine comes in saving half the labor, they, then, with its aid ought to be able to produce their former wealth in half the time; or working full time should produce twice as much and be twice as well off.

And so it would be, too, if they got all they produced as they did before. But the trouble is this new system is in the hands

and control of a few who are taking most of what is produced under it.

And if the workers' condition has not improved in proportion as the new system is superior to the old one this is the reason why. But we shall have more of this later on.

Now the question is, **HOW WE LOST CONTROL.** This brings us to a discussion of "the function of government." It is almost disgusting to see the ideas set forth by some writers on this subject. They show an absolute ignorance or a disregard of the conditions as they are **TO-DAY**. The trouble with most of these is that they do not observe and draw their conclusions from the facts as they are, but they get them from books,—some of them a hundred years old; and while their theories may have been perfectly sound in their time they do not fit the conditions as they are to-day. The conditions have changed.

For instance, many of these hold that the "function of government" should be to **PROTECT AND REGULATE SOCIETY**—and nothing more; that there should be "no interference" in the field of industry. Now, this theory was perfectly sound 50 or 100 years ago—before industry had centralized. Industry was then free and independent. It was yet in the **HANDS OF THE PEOPLE**—individually. Every one had a chance to engage in it. He could engage in any field and run it as he chose. And when he did so he had the absolute voice in the control and all he produced was his own.

It is plain, then, that there should be "no interference" with such a system. There was no interference in those days, and there should be "no interference" where such a system still exists. This is the theory on which the "Old Democracy" was based, and it was perfectly sound—in its day. It is the theory of "*laissez faire*,"—the "let alone" principle.

But since then a great change has taken place. **INDUSTRY HAS CENTRALIZED**—or the greater part of it. And when industry centralizes government must come to perform a wider function—it must **CONTROL AND REGULATE INDUSTRY AS WELL AS PROTECT SOCIETY**. It must reach out and control this "new industry," else it passes into the hands of a few.

As an example: here is a line of industry. It has not yet centralized. It is in the hands of the people—individually. Every one has a chance to engage in it, and thousands do so—as far as the demand will permit. In such a case there should be no governmental interference, as this industry is directly

in the hands of the people and every one has an equal chance. But now it centralizes. All the business passes into the hands of one great concern, and as a consequence the independent workers are crushed out. In a word, the "great industry" takes the field—a "cheaper producer." But it is the people's industry still. It has simply changed form—that is all. This "great industry" contains the means by which they formerly existed. Hence they should own it and control it. However, it passes into the hands of a few. These seize it and monopolize it. AND THUS, INDUSTRY, BY CENTRALIZING, PASSES OUT OF THE HANDS OF THE PEOPLE AND INTO THE HANDS OF A FEW. And that is exactly what has happened today. That is HOW WE LOST CONTROL. It is in this way that the most of industry has passed out of our hands. It has done so to the extent of centralization.

Now to get the control back again we must take these "great industries" collectively. We cannot do otherwise as they have centralized, and CENTRALIZED to STAY—a cheaper system. In other words, we must take them under our united control; and government—or democratic government—is nothing other than the UNITED WILL, or CONTROL, of the PEOPLE. In a word, they must pass under government control. We must reach out and control them. And thus you see, as INDUSTRY CENTRALIZES, IT BECOMES NECESSARY THAT GOVERNMENT PERFORM A WIDER FUNCTION; IT MUST CONTROL and REGULATE INDUSTRY—that is, the "GREAT INDUSTRY" or the new form of industry, as well as PROTECT SOCIETY.

This is what we mean by the "New Democracy." Formerly this was not necessary. The "Old Democracy" was sufficient. But with the change in the system this change becomes absolutely necessary, else this new system passes out of our hands entirely; a few seize it and take all the benefits of it, while we are left out in the cold. And that is exactly what has happened today,—and we have lost the control as a consequence.

It is our own fault, really—our negligence—our failure to move—in harmony with the changing conditions. The trouble is we have stood by the old idea of government too long. We have stood still while other things have been moving. Yes, we have stood until most everything has passed from under our feet, and yet we stay. We must move forward. We must adopt "the new theory of government." We must keep pace with the changing conditions. We must follow the "Evolution of Industry." It is from INDIVIDUALISM to COLLECTIVISM

—and WE MUST FOLLOW. And our failure to do so is at the bottom of all our troubles. It has allowed a few to get control of the greater part of our industry with the evil results as shown elsewhere.

Now who are the advocates of this "let-alone" policy? The very ones who have profited by it. And no wonder, when they have gotten "everything" by it. Now they wish to be "let alone." The robber, too, believes in being "let alone." The Republican party, also is an advocate of it. They hold that there should be "no interference" with Capital; "it should be left to have full swing." "It is the private property of the owners and they may do with it as they please." But then, this is easy to understand. The Republican party is "the party of the trusts." It is the same voice talking through its "machine."

Now, in closing let us clearly set forth what we mean by "more government." It does not refer to "political government." We have enough of that already—too much, perhaps. The individual should be interfered with but as little as possible—only where necessary. This "more government" refers to industry and to that industry ONLY that has centralized. Here is where the increase of government must be, along this line and no other. "As industry centralizes in that proportion should it pass under government control." This is the motto of the "New Democracy." The control of industry should always be in the hands of the people. Before it centralizes it is already there—individually. But after centralization the only way we can keep it there is by taking it collectively. Here is where the increase of government must be. We want more democracy along this line.

As it is now we have lost our "our industrial independence"—to the extent of centralization. We have passed into a state of "plutocracy" to that extent.

They talk about freedom. It is true we gained our political independence in '76, but since then we have lost our industrial independence and as a consequence we are left worse off than ever. We must get back the control of industry—in its new form. We must return to our former state, "industrial democracy," but in harmony with the new system of industry.

In a word, this is the extent of our argument in review: Not only have they gotten control of our means, to the extent of centralization, but now they are taking most of what is

produced under it. Now, this all is bad enough, but the worst is to come.

While in this position—with the control in their hands—new machinery comes in. And machinery is coming in now at a surprising rate. **EVERYTHING IS COMING TO BE DONE BY IT.** This, since the introduction of **STEAM POWER**—and other such forces. These made possible the operation of industry by mechanics; hence, the rapid increase of machinery since their introduction. These are great **DRIVING FORCES.** And without their existence there would be no such thing as the “machine age” we are having today. Machinery would not be invented on a large scale, because it could not be used. There would be nothing to drive it. It can truly be said that **STEAM POWER** is the father of most of our great inventions.

And just to give an idea of the enormity with which machinery is coming in, and the extent of its improvement and savings let us quote a few statistics. These are from official sources, most of them from Labor Bureau Reports. “The cotton gin with 2 men cleans as much cotton as 1,000 men could before.” “A tonguer, groover and surfacing machine, with the aid of one man and two boys, does more work than 500 carpenters could with planes and matchets.” “Two boys can turn out more nails, screws, tacks, chains, etc., etc., than 200 men could before.” “In printing, with a sextuple press, 5 persons can do the work that formerly required 5,000.” “The steam paddy controlled by two men does the work of hundreds of pick and shovel men.” “In evidence given before the Senate Committee on Labor, in September 1893, it was stated that 1 girl (in the manufacture of cotton fabrics) can do what would have required the united efforts of 100 women two generations ago.” Also, “in cutting and harvesting grain one man now does the work that formerly required 384 men to perform”—presumably referring to the time of scythes and flails.

Carrol D. Wright, U. S. Commissioner of Labor, mentions about 50 cases in which such enormous displacements have taken place, and hundreds of others are given where the displacements are almost as great. This gives some idea of the improvement that is taking place in machinery at the present time. And what is given here is only an example of what is happening everywhere—in every line—to a greater or less extent. It is nothing short of the marvelous. It can truly be said that machinery is coming to do the work of the world;

it is coming to do man's work for him. But we shall not go into this subject further at this time as we have fully and elaborately discussed it in our work on the "Evolution of Industry." See Part II on "The Effects."

Now, there is another thing that must be noticed in this connection, and that is that this wonderful increase of and improvement in machinery has made most—if not all—the great lines of industry CAPABLE of exceeding the demand. And, as shown elsewhere, they cannot exceed this limit. THE DEMAND CANNOT BE EXCEEDED; "no price for more." Hence, they are forced to SHORTEN UP—in proportion as this improvement keeps coming in, in order to keep inside the limit. But, the trouble is the shortening up is not done in the right way.

Again, as we have shown,—and it is so important in this connection that we wish to repeat it and impress it before taking up the main argument—if the workers controlled the means, every improvement in them or in the machinery connected with them, would redound to their benefits—directly. A machine coming in and saving half the labor would, ON AN AVERAGE, make them twice as well off; that is they could produce their former wealth with but half the labor-toil—or in half time, or working full time could produce twice as much and be twice as well off—providing the demand permitted it. In either case their BENEFITS (or incomes) would be doubled.

This is how it was under the old system, when the workers did control the means; and this is how it would be too, under the new—the only difference being that in one case they produce singly and in the other collectively. This is how it always should be. In a word, the average welfare of the workers would—and should—increase in proportion with the improvement in the means or the machinery under their hands, and with which they are working. BUT HOW IS IT NOW—with the control in the hands of a few? DIRECTLY THE OPPOSITE! As a rule, any improvement in the machinery or the means injures the workers' chances by so much. That is, their welfare—taking them on an average or as a whole, considering all connected with an industry when an improvement comes in—is lowered in proportion with its savings.

See here: The control of an industry—or a particular line—being in the hands of a few (and fully supplying the demand, as nearly all are capable of doing now—considering the machine power we have today) a new machine coming in along this line, and saving half the labor, IT TOO, passes into their

control. IT BECOMES A PART OF THE MEANS IN THEIR HANDS. Notice, it cannot be used but in connection with the means, and they control these. Naturally then, it passes right into their hands,—IT BECOMES A PART OF THE MEANS—IN THEIR CONTROL. In this way they practically get a monopoly of IT TOO, without making any effort to do so. They employ it in their business, and there is no other way in which it can be employed—WITHIN THIS FIELD—as they have a monopoly of the business here. In other words, THE CONTROL OF THE FIELD GIVES THEM CONTROL OF EVERY IMPROVEMENT COMING INTO IT. AND SO IT IS WHEREVER THE CONTROL OF INDUSTRY IS IN THE HANDS OF A FEW. Next, having the control they naturally employ this machine as its best pays THEMSELVES, and that is so as to take all the benefit of it. It saves half the labor. With its use they can supply the demand with but half the labor before required. Consequently they discharge half their labor force. They reduce it to $\frac{1}{2}$ thus reducing their expenses by that much; this amounts to doubling, or increasing their profits—by that same amount. In short, HAVING CONTROL, THEY SO REGULATE THIS MACHINE AS TO TAKE ALL ITS BENEFITS TO THEMSELVES. Now, this is very important. It is the key stone of the whole argument. Everything hinges on it. Here is where the trick is done, and if we repeat and are over particular in stating it we hope it will be overlooked. Our desire is to make it clear beyond a question, and to do so we take the privilege of repeating the example we gave at the beginning of the chapter.

For instance, here is a "great industry." As usual, it is in the hands of a few. And they fully supply the demand with 10,000 men working 10 hours a day. Now, a new machine comes in saving half the labor. On employing it they must cut down the labor force—or the amount of labor—to $\frac{1}{2}$, in order to keep within the demand. And there are but two ways in which this can be done. Either they must cut down the HOURS to $\frac{1}{2}$, else the NUMBERS; either 10,000 men at 5 hours a day, or 5,000 at 10. With this machine either of these can supply the demand as fully as before—and that is the limit. One or the other must be done.

But they will not do the former for the reason that they will not gain anything by it. THAT PROCESS SIMPLY SHORTENS the HOURS of the WORKERS. It gives all the benefits to them. It makes them capable of earning in 5 hours what before required 10—it doubles their benefits, while it leaves the owners just

where they are—no better or no worse off. Hence, they will not do it in that way, however just it may be and however beneficial to the workers, consequently, they take the other process—for that gives them ALL the benefits. They cut down the numbers to $\frac{1}{2}$, or to 5000 men. In doing so they reduce their expenses $\frac{1}{2}$, which practically amounts to doubling their profits. And no wonder they become rich. Here is where the trick is done. It is a very simple thing is it not? Yet what a wreck it has left! In short, HAVING CONTROL OF THE SITUATION THIS MACHINE, TOO, PASSES INTO THEIR CONTROL AND THEY EMPLOY IT IN SUCH A WAY AS TO TAKE ALL THE BENEFITS OF IT—that is they shorten the NUMBERS instead of the HOURS. And here is where all the mischief is done!

They substitute it for the workers instead of allowing it to unite with and aid them in their work; instead of allowing it to lighten and lessen their burdens—as naturally would be the case. As a consequence the workers as a body are injured to that extent. Instead of their benefits being doubled they not only are not benefited at all but are INJURED TO THAT EXTENT—half their opportunities are taken away. See. The half retained go on working as before—the same hours, wages etc., while the other half are turned out on the road. They are worse off than ever. They lose everything—their positions their wages etc. And it is not so easy to get something else to do as the same thing is happening everywhere. "More going out than can get in." Consequently the masses of them are thrown helpless on society. No wonder then, if we find millions tramping, stealing, begging, faking and resorting to every other shade of crime. No wonder, if we find crime growing at a fearful rate. No wonder, if we find all the lesser fields crowded beyond endurance and see their occupants resorting to illegitimate business in order to make ends meet. Here is where it all originates. In fact, nearly all our social and industrial evils today—and we never had more—have their origin right here. In short, TAKING THEM ON AN AVERAGE OR AS A WHOLE, THIS BODY OF WORKERS—CONSIDERING ALL CONNECTED WITH THIS LINE OF INDUSTRY—WHEN THIS MACHINE COMES IN—IS INJURED SOMEWHERE ABOUT IN PROPORTION TO ITS SAVINGS, WHEN IT SHOULD BE DIRECTLY THE OTHER WAY.

And so it is throughout the industrial field today wherever industry has MEASURABLY passed into the control of a few and machinery has improved so far as to make the supply capable

of reaching the demand, and where has it not? What if there were but few improvements; but consider the thousands and thousands of improvements that are new coming in along these lines—**ALL IN THEIR HANDS**. Indeed, at the rate machinery is coming in today,—in all such lines—probably hundreds of thousands of workers are displaced annually. So you can imagine the tremendous consequences.

Of course, if the supply does not equal the demand it is different. Then the amount of human labor can be increased. The numbers can be increased, the hours lengthened—either or both. And this is how it was before. But with the machine power we have today nearly all, if not all lines, have become capable of coming up to the limit. Hence, the shortening process has become absolutely necessary. But, having the control in their hands, they are not doing it in the right way. As shown, they are doing it so as to take all the benefits to themselves—injuring the workers to the same extent. **"SHORTENING THE NUMBERS INSTEAD OF THE HOURS."**

In this way things have been turned upside down. Results are reversed. As a rule, machinery and improvement generally have become an evil instead of a benefit—except for the few. They are taking all the benefits; they are fattening at the expense of the rest. And while in this condition every improvement only tends to make matters worse,—so many more out of employment. Thus, the condition of the workers becomes more and more appalling. Their chances and opportunities are lessening with every new device. And what if the labor class did not amount to much; much harm would not be done. But as shown, it is now by far the largest class in society,—in 1890 having twice as many members as all other classes put together. So you can figure out the consequences for yourselves.

Thus, you see, with the change in the system, the workers are forced from the independent to the dependent fields—from the old to the new system. But this system, having passed into the control of a few they are now putting machinery in their places and turning them out on the streets—simply because it is cheaper. There is more money in it—for themselves. They would keep them, no doubt if they could work cheaper than the machinery. But that they cannot, as it works for nothing while they must get enough, at least to live on. In this way the workers are thrown directly into competition with machinery and it proves the winner. It is the

cheaper. "The dollar wins." Bryan's great argument is that "they are putting the dollar above the man." Is he not right? But it is the philosophy of Mark Hanna and his tribe—the creed of the Republican party. They would run over, trample on and plunder all humanity for the sake of that "almighty dollar." Low, base, grasping, greedy fellows! They have no respect for principle. They live only to glut themselves. They see nothing more in life. They are—mere animals.

But here we see the growth and decay of the "labor class." It is swelling in numbers but degenerating. As a body it is sinking downwards. The decaying "middle class" too, is going through the same process of "devolution." So, also the "small farmers" and the "professional men." As shown elsewhere, the masses of those squeezed out of the upper fields and the "labor class" are squeezing into these fields in overwhelming numbers. This naturally tightens the competition to such an extreme that they all, or the majority of them, are dragged down to the starving point. Too, the "great industry"—in the hands of a few—is coming in and taking these fields too, and as a consequence their opportunities are made still less. In short, the great mass "are increasing in numbers but sinking downward" as is fully shown in our "Evolution of Industry" Part II, "Effects." And all because of THE ONE THING pointed out.

And right here we want to answer an objection.

Some see the "great industry" coming in and employing large numbers of workers. Hence, they conclude that it must be increasing the opportunities for labor—that the opportunities for labor are increasing. And it appears so evident that it is almost impossible to convince them that they are mistaken. But they do not see that this, as a rule, is only the change that is taking place in the system. If the workers are increasing here it is more because they have been crushed out somewhere else—and by these same "industries." THESE HAVE TAKEN THEIR FIELD AND NOW THEY ARE FORCED TO BECOME THEIR WORKERS. This is what the increase means, principally. It is not the opening up of new opportunities for labor—some exceptions, of course. It is the transfer—or the coming in of the workers from the old field to the new. In short, the system is changing form and they are following it. And probably, when the two sides are considered there is no increase whatever—the new system's gain being the old system's loss. In fact it is the other way. As we have shown,

centralization economizes in—or lessens—the amount of labor. This is how it gains its advantage principally, and it is one of the great things that has prompted it. “But one foreman where several were needed before,” etc., etc., etc.

The amount of labor saved—the opportunities lessened,—
THAT IS AS THE SYSTEM IS NOW MANAGED.

As a general thing then, it is only the transfer that is taking place, while in fact the opportunities are actually decreased (that is as things are now managed) contrary to what at first appears.

And all the time “labor saving” machinery is coming in and lessening them still more—more and more with every new improvement (THAT IS AS THINGS ARE NOW MANAGED.)

No, instead of giving us new opportunities our “captains of industry” are only taking them away.

It is true there are some new lines and opportunities opening up—as there always are; and, too, some of the old lines are expanding—over and above the ordinary, especially those connected with the opening up of this country or some other country, in some way or other. These afford some relief for the displaced masses and keep things from becoming as bad as they otherwise would. But that they do not at all make up for the displacement caused in the other lines is fully shown in a later chapter.

Indeed, the very conditions already given fully show it, viz: the large numbers left without anything to do even on good years; “ $\frac{1}{4}$ the labor class out of employment in 1890;” the fearful crowding down into the lesser fields; and the glutting of the markets every few years as a consequence; the enormous increase of crime collateral with the facts given, etc., etc., etc.

CHAPTER IX.

The Problem Continued.

But not only the workers; all society is injured as a consequence. Everyone is affected by it—in some way or other and to a greater or less extent, no matter what his business. It reacts on ALL.

We have shown how the workers are injured. We wish now to show how it affects all other classes, and society generally. We did this in Chapter VII, but we wish to go over it here again and present it in a different light; besides there are other things that we wish to bring out which could not be gone into there. But we shall not take up much space.

As we have seen, the majority of those squeezed out are left without anything whatever to do. It is almost impossible to get into some other line, as the same thing is happening there—everywhere; “more going out than can get in.” Consequently they are forced down into the already overcrowded ranks of society. They come in here in overwhelming numbers, only to give rise to all the evils pointed out. In the first place, many of them are forced to resort to crime and other illegitimate means. Hence the fearful increase along these lines during the last few decades, as noticed in a former chapter. It is the same in tramping, stealing, begging, faking, robbing, burglarizing, and every other act—illegitimate. All these are increasing and at a fearful rate, and the greater share of it is due to the defective economic conditions. And it is hard to blame them sometimes, considering these circumstances, however wrong or illegal the acts may be in themselves. Starving men, deprived of their natural means and driven to the point of desperation are forced to such extremes. “They must live somehow.” Now, who is the real criminal in this case?—the one that does the act or the one that forces him to it?

Again, large numbers are crowding into the middle fields and the little and lesser fields that have not yet centralized—or to any great extent,—or that have not yet been crushed out by the “great industries.”

Indeed there are so many crowding in here that it is becom-

ing almost impossible for a person to make a living in any small business, trade or profession, without resorting to questionable means. Often, many are forced to swindle, to cheat, to adulterate, etc., etc., etc., in their desperate efforts to make ends meet, only to fail in the end, perhaps, undermined and crushed out by others forced to means still more unscrupulous. The strain, too, is something terrible. Many of our small tradesmen work 16 and 18 hours a day, and fret their lives away; and yet they go behind—ever sliding backwards to the goal of bankruptcy. Indeed, so many are coming in some must fail. There is not room for all. And yet they dare not. They see nothing else to turn to. No wonder then, if many are forced to illegitimate means.

And yet, in spite of all their efforts, they are failing at a fearful rate—so great, in fact, that it is almost impossible to believe it. To sustain our point let us quote a few statistics.

According to Bradstreet's Record about 1-5th of all business concerns are wiped out annually. They leave the field in bankruptcy or when what little they have is gone.

"This would seem incredible if it came from a source less authoritative." In its "Commercial Death Rate" this great agency sums up the situation as follows:

"Total number of firms at the beginning of 1897.....	1,168,343
"Names erased during the year.....	223,332
"New names added during the year.....	241,542

And all the failures of that year were of business concerns of less than \$20,000 capital; all with the exception of 2.95 per cent; SMALL MIDDLEMEN.

Thus you see the displaced masses, in search of opportunities, are crowding in here in overwhelming numbers only to be crowded out again when what little they have is gone. They are coming in at the rate of a quarter of a million annually and going out at the same rate—1-5th of the whole being crushed out in the year 1897 and yet 1897 was a good year. "It was under Republican rule you know."

The fact is the years following a crisis year are always good; and the great crisis was the year before. At this rate what was the number in 1896, or on any other bad year?

You see, there is not room for them. They are trying to crowd into a field that is already overcrowded, and only the big ones succeed. All the others are swept out again, and all others of their kind—sooner or later.

Even as it is there are a hundred or a thousand times too

many in these fields, and our burdens are increased accordingly; we are forced to pack the unnecessary ones. There should be no more than necessary.

This brings us to a discussion of the "Wastes of Competition."

Robert Blatchford well sums these up. Says he in his "Merrie England": "There are draughtsmen, paper-hangers, printers, bill-posters, painters, carpenters, gilders, mechanics, and a perfect army of other people, all engaged in making advertisements, bills, pictures, boardings and other abominations—for what? (Simply) to enable one soap or patent medicine dealer to secure more orders than his rival." Here is a good example of the "wastes of competition."

Now, who has to bear all this? In the first place the consumers. It becomes a part of the expense; it adds that much more to the expense of production. And the price has to be made high enough, at least, to cover all expense, however useless and wasteful some of it may be. Consequently it is the consumers that have to bear it—in a higher price. They have to pay that much more for the soap or medicine. And so it is with all the "wastes of competition." BUT TO GET THE MEANS TO PAY THIS HIGHER PRICE THEY HAVE TO WORK THAT MUCH HARDER, whatever they may be doing; or if they are not workers they get it from others who are and who have to work all the harder in order to give it to them.

It is the workers then, finally, the ORIGINAL WEALTH PRODUCERS, that have to bear all these wastes. Their burdens are increased accordingly. And by workers we mean all those who have to work for a living, no matter how. Some work physically, some mentally, etc. They are the original producers of all wealth. "All (real) wealth is the product of labor" of some kind,—originally. (Read the first chapter in Gronlund's Co-operative Commonwealth. He proves this ABSOLUTELY.—HE CANNOT BE ANSWERED. And when you have time read the whole work.) It is true there are many now who work without producing any wealth. All their labor is in trying to get some away from others. But as we have shown, most of these are the product of the conditions of today.

Again, there are some who get wealth without working at all; but some one has worked for it. "All (real) wealth is the product of labor," and in proportion to the amount of labor. It equals the amount of labor.

If a machine comes in it lessens the amount of human labor

but the same amount of energy goes into the product in this new form. A "labor saving" machine is so much crystalized labor power.

In short, our soap and medicine dealers fight out their battles most expensively and we have to "foot the bills;" we are forced to work all the harder. Thus you see, this "war of competition" increases our burdens without doing us any extra good.

And so it is as to all industrial competition, from one end of the field to the other. The more there is of it the heavier the burden on the people. Prof. Mulhall, the great English statistician, estimated that $\frac{1}{3}$ of the price of articles is going to pay for this kind of waste. Hence, the price is a third higher than it should be. And you have to pay it.

But we can show the "wastes of competition" in another way still more clearly.

You hear some say that "competition lowers the price;" hence, the more competition the better. But it works directly the other way. THE MORE COMPETITION THE LESS EACH COMPETITOR CAN SELL; HENCE, THE MORE HE MUST CHARGE IN ORDER TO MAKE A "LIVING PROFIT." THUS YOU SEE "COMPETITION RAISES THE PRICE," AND IN PROPORTION TO ITS INTENSITY. As the numbers increase the competitors are forced to raise their price, else swindle, cheat, adulterate, give short measure, under weight or something else if they would live, make ends meet and stay in the field. But these latter are the same thing in a different form. The price is not raised, but the consumers are given a poorer article or a smaller quantity for their money. In short they are swindled. It actually amounts to the raising of the price, but it is done in a different way. It is done in this way so it cannot be seen. It is easier to give a person a poorer or a smaller article than to raise the price on him directly. But it is the raising of the price under the garb of fraud.

So, whichever way you take it the price is raised in proportion to the increase of the competition—if it increases at all. It is gradually squeezed up—in the one way or the other. The competitors must, at least, make a LIVING PROFIT. They can not go below that limit, however low that may be.

But as there is always a limit, more or less, to the numbers that can squeeze into a field, this principle works more often in another way—IT KEEPS THE PRICE FROM BEING LOWERED. But this is the same thing in a different form. See here: The less

competition the more each can sell; hence, the less they need charge in order to make that "living profit." Hence the less competition the better; the LOWER THE PRICE—can be made. Thus, you see competition does not LOWER THE PRICE, but it is the very thing that keeps it from BEING LOWERED. This latter is more often the way this principle works. But it is the same thing looked at from the other side.

Of course, when all competition disappears the business then passes into the hands of a monopoly. And in the absence of control they turn around and raise the price again, arbitrarily.

But that is our fault. When centralization gets along that far, that industry should then pass into our united control. We should take it. It is ours—our industry centralized—in a new form. We should allow no monopoly over it.

All that competition does is to force the competitors to get down—ON A LEVEL. (This is where the people are fooled.) And this level is high or low according to the intensity of the competition. The less competition the lower it is—or the lower the price—can be made. And, it is indeed strange to hear the common saying, "competition lowers the price," when it is working out directly the other way right before our faces. The great "captains of industry" are getting control of the field today. How? By lowering the price. But how? By ELIMINATING competition.

For instance, 100 of them unite. In doing so they have to keep up but one industry, but one power house, but one manager, etc., etc., etc., instead of 100 of each as before. They economize. They lower their price by abolishing competition and all the wastes incident to it, thus enabling themselves to undersell the others—practicing it. In other words, they lower the price by DECREASING, instead of INCREASING, the competition. (Of course, when they get a monopoly they raise it again, arbitrarily. But, as shown, that is our fault in allowing them to get a monopoly.) This is where the great industry gains its advantage, principally. And there is no doubt but that all industrial competition will be abolished in the course of time—as far as possible.

All industry will be organized and industrial organization is nothing other than the elimination of competition—the elimination of waste. Industry will be put on the most economical basis. This tendency has seen wonderful progress during the last 50 years and the next 50 may see it completed—as far as it can be carried. The tendency is in the right direction, and

nothing can stop it, as trade always patronizes the cheapest. It tends to economy. But then, the control must pass into the hands of the people. This too, will be accomplished. As it is now it is in the hands of a few and they are taking all the benefits to themselves. What we want is the ORGANIZATION but not the MONOPOLY over it. These are two different things entirely. However, but few discriminate between them.

Some can see only benefits in the "trust," others nothing but evils. But there are both. All the BENEFITS come from its ORGANIZATION; all the EVILS from the MONOPOLY—over it. We want to preserve the organization but destroy the monopoly.

But let us see where we are.

(1) We have shown that the displaced masses, in search of opportunities, are crowding into the lesser fields in overwhelming numbers only to be crowded out again. There is not room for all. As a rule only the big ones succeed—because of their economy.

(2) There are so many in these fields already that they are all dragged down to the line of bare existence. In other words, "they are swelling in numbers but sinking downward"—DEGENERATING!

And these overcrowded numbers, ESPECIALLY in the MERCANTILE MIDDLE CLASS—where the great increase is—are only tending to increase our burdens. They raise the price and we have to pack all the unnecessary ones. They increase the "wastes of competition."

Says Prof. Ely: "The less mercantile class the better; all those over and above what is necessary do no service other than to increase the burdens on the people. They produce no wealth. They only take what others make." It is true they work, and some of them extremely hard, but it is not productive work. It is all in trying to hold on, in trying to keep others from crowding them out. And the more of them the heavier the burdens on the people; the more they take of what is produced. If there are 100 retail stores in a town, where but one or a few are necessary, we, the local consumers, have to support all the unnecessary ones; also their buildings, their expenses, their families, etc.; they live on us, and all their labor is in trying to hang on. We have to pay that much higher price for our articles. "Competition raises the price"—"the wastes of competition." But we are not blaming them any more than we blame those who are now forced to crime.

On the contrary they have our sympathy. They are forced to this. If the mercantile class is enormously overfilled it is because they have been crowded in here. "They must live somehow." As shown, the real fault is further back. They are forced to turn "parasite" and struggle to hold on at that.

But, continuing the main argument. The same conditions prevail in all the small shops and stores and in the small business enterprises generally. But to make things still worse, the "great industry" is ever coming in and taking the field from them. It is taking these fields too and as a consequence they are left more and more crowded. In all the trades and professions it is the same—if not worse. There is not one of these that is not fearfully overcrowded. Again, thousands are resorting to petty little schemes and fake businesses, most of them of a corrupt nature. And, if you see a town "rotten" with such, do not blame them so much. Look back at the cause. These all are not so much the result of "moral degeneracy" as the "enforced decay" of a people. However, some of our petty thinkers would have us believe otherwise.

In farming, too, so many are crowding in that they cannot make a living. They work like slaves and yet they are ever going behind, especially the small ones—as shown in a former chapter. Indeed, there are so many in the field that they overproduce—they glut the markets and throw us into a crisis every few years. As farm machinery improves, the amount of human labor must decrease, here as elsewhere, so as not to exceed the demand. But on the contrary, it is increasing. Overwhelming masses, in an effort to get something to do, are crowding in and we have gluts and crises as a consequence. Do you remember the great crises of '73 and '79, '84, '93 and '96? Well, we are soon to have another, more fearful than ever; they are growing in intensity. Get ready for it. It may break any time. In short, the small farmers, like the small middlemen and the laborers, are "sinking downwards." They are being dragged down to the line of bare existence, and the masses of them are going into bankruptcy. Only the large ones are succeeding in the long run. These are gradually taking the fields and crowding the others back, as is shown in a former chapter. At the same time, large masses are ever crowding in only to be crowded out again when what little they have is gone. As a consequence, those remaining are kept crowded down to the starving point.

The statistics too, bear out our argument here, as elsewhere.

According to the census reports, in 1880, but 3 persons out of every 8 were owners of the land they cultivated; all the others worked as tenants or as farm laborers. Now, this is bad enough, but the worst is to come. In 1880, 25.5 per cent. of all farms were worked by tenants; in 1890, it had increased to 28.4. You see they are losing their farms—they are going into bankruptcy. Or putting it in other words, while the total number of farms increased 13.86 per cent. from 1880 to 1890 the number of tenant farmers increased 26.3 per cent. in that time. So there you are. But we shall not go into this any further here, as we have fully discussed it in our "Evolution of Industry." It is also discussed briefly in an earlier chapter of "The New Democracy."

We have touched on crises here. But there is another way that they are causing these and it is the most important.

For instance, with this new and wonderfully producing machine power in their hands, and in their efforts to get ahead of one another—or of foreign nations **ESPECIALLY**—in supplying the demands and in controlling the markets they run on and on at full speed until, the first thing they know, they have exceeded the demand and then they have to stop—**THEN THE CRISIS!**

In short, with the glutting of the markets they are forced to stop abruptly; many are thrown into bankruptcy. At the same time all other industries dependent on these, or on their running steadily, are swept to the same fate; and still others dependent on these—and so on back to the very dregs of society. It all ends up in a fearful smashup—a smashup of the most gigantic kind. The whole industrial structure is wrecked and shaken down into a toppling mess of chaos.

It can well be likened to a head-on collision. With the sudden stoppage of the engine, the whole train is as suddenly stopped and thrown into a heap of debris. And, if you happen to be a passenger, you are very fortunate, indeed, if you escape injury. And so it is with our industrial smashups today. There are few that are not wrecked in the general ruin.

But worse, with this general stoppage of industry millions and millions of laborers—probably the larger part of them—are swept out of employment—and left to starve.

During the great crisis of 1896, a German laborer in Ohio told the writer that he was working for his board and was glad to get that much. He worked out in the harvest field under a broiling sun from five o'clock in the morning till eight in the

evening—just for his board! Too, he said that there were many others in the neighborhood doing the same and hundreds were coming out from the cities daily and offering to take their places on the same terms. Oh no, “we have no slavery in America.” And yet they call them vagabonds—tramps! Mind you, the slaves had to be driven to work but here we find ablebodied men begging to be made slaves. And all this was caused by our “captains of industry”—by Mark Hanna and his kind; Mark Hanna,—the “prince of prosperity,” “the FRIEND OF LABOR!”

And yet they won their campaign that year by blaming it on the other side—on the party in power. But this is not all. Few escape uninjured. Industry is at a standstill—wrecked and clogged. Few can do anything, or have any means or confidence left to do anything. It is almost impossible to buy or sell or get anything to do. With the stoppage of industry the people's incomes have ceased, and while there is a glut on the other side they cannot reach it—their purchasing power is cut off. Thus we see a strange state of things—“starvation in the midst of plenty.” A glut on one side and general starvation on the other. “Not enough because there is too much!” Here we see it again. Something else “upside down.” Naturally, it is a SCARCITY that causes a famine, but here we see it caused by its direct opposite—a GLUT. But notice, this glut too is into the hands of the few and the people cannot reach it.

Industry is completely clogged. The few cannot start up until they get rid of what they have and they already have too much on hand, yet they cannot sell it because the people are unable to buy, as with the stoppage of industry their resources have been cut off. It is a queer state of things is it not? But what misery and suffering must result from such a condition. All are affected; all but the few—who caused it. They go off to Europe—to the Alps you know. They can well afford to lay off for awhile, but they leave wreck and ruin behind them. In the meantime we struggle out as best we can, and when all is clear—they come back again. This, in brief, is a crisis.

We need not refer to the Labor Class. You know the condition there by this time. The employee class generally is so overfilled that many are willing to work for little or nothing in order to get something to do. They are forced to become “wage slaves,” and, of course, our captains of industry take the cheapest. This is the “iron law of wages.” It is put into

operation by the conditions of today. Talk about the "freedom of contract." There is no such thing today in the labor market. It is all on one side. The laborer must submit to what he can get. Indeed, he is only too glad to get a chance to submit. An opportunity is what he wants. It is as absurd as saying that we have "equal opportunities," when the few have the control of everything that gives opportunity.

The "labor unions" are now making a desperate effort to remedy matters. But it is hard for them to make headway. There are so many hunting work that it is easy to find enough to work for less than they demand. On the other hand the farmers and small middlemen are so hard pressed themselves that it is impossible for them to pay better wages.

Finally, many are forced to the brothel, while others commit suicide! Actually forced to get off the earth; not an inch of room left to stand on!

Etc., etc., etc., etc.

All society is dragged downwards. In a word, EVERYONE IS INJURED BY THIS CONDITION OF THINGS; IF NOT DIRECTLY THEN INDIRECTLY, AND TO A GREATER OR LESS EXTENT—ALL, BUT "THE FEW;" CONSEQUENTLY IT SHOULD BE TO EVERYONE'S INTEREST TO WORK FOR A CHANGE. And this is the only way that we can move some people—by showing them how it affects their own pockets. This, then, is the LABOR PROBLEM—and the EVILS resulting from it. You know now the CAUSE. It is that THE CONTROL OF INDUSTRY—OR THE GREATER PART OF IT—HAS PASSED INTO THE HANDS OF A FEW, who are running it not as it should be but as it best pays themselves—to the injury of all the rest. That is, they are shortening the NUMBERS instead of the HOURS whenever a shortening becomes necessary, as a result of the improvement in machinery sufficiently to make the supply capable of exceeding the demand. They are thus displacing large numbers and forcing them down on society—and all these evils are the consequence. This is what has given rise to the present corrupt state of society. In fact, nearly all our social and industrial problems today are due primarily to this one thing. Take any evil and trace it back and you are pretty certain to find its origin right here—IN THE CONTROL.

This, then, is "what is wrong."

It is not the intemperance or the shiftlessness of the people, neither is it their "moral degeneracy," as some would have us believe. There always are a certain number of worthless ones

in every society, and no doubt there always will be, but here good and bad are affected alike. It is not so much "high tariff" or "low tariff" or "good money" or "bad money" that is needed, but it is **THE CONTROL** of industry. It is not the want of woman suffrage; it is not the need of "purity clubs" or the one thousand and one other petty little reforms that are put forward. Some of these may be good enough in themselves, and all are well meant; but they do not reach the **CAUSE**. They are superficial. They do not strike at the root of the evil. They are too much like poulticing and petting a cancer instead of cutting it out—instead of removing it. They act on the surface effects only, and probably put them back for the time being, only to have them break out the more viciously elsewhere—like sores on a leprous body. They must out somewhere. There is something back of them. It is the Cause that we must remove. The effects, then, will cure themselves—they will leave. Our legislation now is in the wrong direction. We are trying to remedy the evils, yet sustaining the cause.

Finally, it is not that our resources are exhausted, or that the population has exceeded them. We have not one-hundredth the population that other countries have had, or that we are capable of carrying; and as for our resources they are as yet unlimited but they are tied down—as we have shown. It is all in **THE CONTROL**. Here is where the fault is. This is "what is wrong." And this one thing gives the key to the whole **SITUATION** and its **SOLUTION**. The cause is economic. It is at the seat of industry and affects all society; and all society is built upon it—industry. Our industrial system is off its base, and while in this condition every improvement only tends to make matters worse—still more fearful. Society is breeding its own decay; it is sinking downwards—like a structure with rotten timbers. And things would be much worse but for the efforts made to offset them. These will be fully discussed in a later chapter. They are briefly: **EXCESSIVE CHARITY**, **FOREIGN TRADE** and the **SQUANDER OF WEALTH** by the few in riotous living, the building of palatial mansions, fine yachts, etc. These give the enforced idlers something to do, and thus help to relieve the tension. As things are now the more they carouse, the more expensive their sports—in short, the more squander the better. A queer state of things, but then **THINGS ARE "UPSIDE DOWN."**

Yet, while all this is happening, on the other hand our

"captains of industry" are running on merrily; they are becoming richer and richer. Every improvement within their sphere of control is appropriated by them. They take all the benefits, increasing their wealth in that proportion, but injuring the rest of us to the same extent. Thus, we see the division of society. It is dividing in two. It is dividing into two distinct and opposing classes—THE FEW and THE MASS,—"the classes and the masses." "The few" are becoming enormously rich; they are coming into possession of everything, while the masses are left helpless as a consequence. Here we have them—"millionaires and paupers," "the masters and the—slaves"—"the plutocracy and the plebians." In short, "the few" are getting a monopoly of all the opportunities, leaving the masses helpless for the want of them. "The few" are tending upwards, the masses DOWNWARDS as a consequence,—compared with the increase of wealth. Oh no, we should not "set class against class;" but who created the classes? We should not expose what they have done. We should not object to being plundered.

SUMMARY: This long discussion might be summed up briefly—if it is necessary—by saying, that as industry centralizes, the workers are transferred with the same act. Here they work collectively where they before worked independently. And if they got all they produced, as they did before, they would be that much better off—in proportion as the new system is superior to the old one. And it must be superior or it would not have crushed it out. But the trouble is, it is in the hands of a few and they are taking most of what is produced under it. Formerly the workers got all they produced—they got all the products of an industry—of their industry. Here it all passes into the hands of the few in control. They sell it, give the workers a small share of the proceeds in the form of wages—"the lowest competitive"—and keep the balance—the SURPLUS VALUE. This is what is meant by "surplus value." In short, WHERE THE WORKERS FORMERLY GOT ALL THEY PRODUCED, HERE THEY GET BUT A PART OF IT. The few in control take the balance. They take the most of it,—or over 50 per cent., shown by the census reports of 1890—discussed later.

It is true they take it as RENT, or as INTEREST or PROFIT—in short, as PAY for the shares—or money that they have in the enterprise. BUT PAY THEM BACK THEIR MONEY. THE SYSTEM, the system they have invested it in, IS THE PEOPLE'S.

It has centered in their hands. Pay them back their money and put the control back again in the hands of the people so the workers can get all they produce as they did before; so that all the proceeds of an industry can go to the workers who produce it, as it always did, as it rightly should, and as it is now, too, again in such cases where we have taken back the control—such as in public works, municipal utilities, public institutions, etc. Notice, the public institution does not have to pay out any profits. All the proceeds go to the workers—in a higher wage; or not raising the wage—then to the people in a lower price. In either case it is the people as against the few that get the benefit (in a higher wage, or a lower price—or in both). And this is why the public institution always pays higher wages and gives a lower price, or rate. It can afford to, while the private one cannot. It has to pay out no profits. In short, it benefits everyone—but the few. Their game is stopped. But this is away from the point. We shall take up this point again in a later chapter. But worse still, when new machinery comes in, having the control, they turn the workers out and put it in their places, instead of allowing it to unite with and aid them in their work, as naturally would be the case. "They shorten the numbers instead of the hours" simply because there is more money in it—for themselves. This process gives them all the money there is in it. They thus seize and appropriate all the benefits of improvement to themselves. They do all this because they can. There is no one to stop them. They have the absolute control. We have lost all voice in the matter. They have a monopoly of the situation and use it solely to their own advancement to the injury of all else.

On the other hand, the masses squeezed out, in the absence of other opportunities, are forced down on the other already overcrowded ranks of society with the evil results as shown. Thus, we see the workers forced from the independent to the dependent fields and then—out on the road, from there to drift down, down and drag all society down with them.

Briefly they are:

- (1) GETTING CONTROL OF THE PEOPLE'S SYSTEM,
- (2) TAKING MOST OF WHAT IS PRODUCED UNDER IT,
- (8) APPROPRIATING ALL THE BENEFITS OF IMPROVEMENTS COMING IN UNDER IT TO THEMSELVES.
- (4) AND GIVING RISE TO ALL THE EVILS OF SOCIETY—as a consequence.

In short, TAKING ALL THE BENEFITS AND GIVING RISE TO ALL

THE EVILS—of the new system. This is their record. It is not a very good one is it? Yet this is how your millionaires are made. They are made on the substance of others. "Their gain is our loss."

But we are not blaming them personally. No doubt, others in their places would do as bad—if not worse. It is the system that is wrong. The fault is ours in allowing them to have such control.

(5) But they are benefited in another way—to our loss. Wherever they have a monopoly they raise the price "all the traffic can bear." This is the only evil that most people can see in the "trust." But, bad as it is, it is tame compared with others we have shown. The price can be lowered and the people benefited in proportion with the savings of improvement. But they will not lower it unless they are to gain something by it. On the contrary they raise it—if more is to be made that way. Of course, as the price is raised the amount of trade falls off. This, to a certain extent, is a check on them, but it is the only one. However, those of us who use and need the article must submit whatever the terms, else go without, often an impossibility. Thus we are fleeced before our very faces and yet we submit.

As a rule, they never lower the price to what it should be except during a crisis or a depression. Then they are forced to in order to sell at all. But it comes too late. By that time the people are so hard pressed that but few can buy at any price. It does them no good. Large numbers are out of employment and make it as "low as dirt" it is as far away from them as ever. They are doing nothing and have nothing with which to buy. And all the rest of us are so "hard up" we can buy but little. But good times returning they run it up again. In this way we are kept "hard up" all the time. They tax us for all we are worth. Thus, with this new system, they produce cheaper than ever but sell dearer. But this is how your millionaires are made!

(6) Finally, they are benefited in another way to the worker's injury. I believe we have touched on this already, but as we are about to close, let us mention it here again in the order of our summary. Everyone crowded out of employment in the manner shown helps to swell the army of unemployed, and the more unemployed the tighter becomes the competition to secure work. In short, their need becomes so great that they are forced to underbid and underbid one another until they drag

wages down to the minimum of bare existence. This, of course, is what the large employers want. It gives them cheap labor. And they naturally take the cheapest. Hence, as far as they are concerned, the more out of employment the better. The surplus helps to lower wages, or it, at least, keeps wages from raising. It is fair to say, however, that some of these cannot help themselves—under the circumstances. They cannot raise the wage, however well disposed they may be to do so. This pertains to industries that have not yet completed their centralizations—that are yet competing. If they do others will not. They will thus be able to undersell them and soon crush them out. Paying lower wages they can. As a rule, the lowest and meanest competitor sets the pace and all others are forced to follow suit—if they would stay in the field. This is especially true of over-competition as we have it today. But this could not be but for the present overcrowded condition of the labor market.

There would be plenty of opportunities and a good demand for labor elsewhere. Hence, those wanting it would have to pay a good wage in order to get it. Too, when there is a strike the surplus labor helps to break it up. Plenty of idle men are hanging around only too glad to take the vacant places and on the same terms. Thus, the power of the labor union is counteracted—the one great foe of the Capitalist. Thus, the more unemployed the better—for them, and the more interested they may be in making and in keeping conditions in their present state. In short, IT GIVES THEM CHEAP LABOR; IT HELPS TO BREAK UP THE STRIKE AND TENDS TO DESTROY THE POWER OF THE "LABOR UNION." To them there is no such thing as the "Labor Problem" in its real sense—"the more of this the better." You see now why they so strenuously deny its existence. Cheap labor is what they want and this is how they get it. Do you remember how they fought against the Chinese exclusion bill? Cheap labor! Now, the purpose of the "Labor Union" is to counteract all this. Their purpose is to have the employee class generally stand together and fight for a better wage—and better conditions. It is no wonder, then, that our "captains of industry" are so bitterly opposed to the "Union," and have tried so hard to crush it. You see now the reason. It is their one great foe. It is the only thing that stands in their way. Dispose of this and they have free reign—absolute sway. They can have labor for nothing—just for the keeping—and the slave got that much—or had to,

at least. Oh no, "we have no slavery today," but the "labor union" is the only thing that stands between us and it and they are trying to destroy that—the only protection we have. They refuse to recognize the "union." At this very writing one of the greatest strikes in the world's history is going on. The cause? "Refusal to recognize the union"—"determination to break it up"—before it gets too strong. They reserve the privilege of uniting to crush labor, but labor has no right to unite to defend itself. They would deprive it of the right of self-defense. Yet all they have they got it off the very ones they now wish to crush. How "much obliged" they are!

But they say "This is my business, and I propose to run it as I please. I'll not recognize the union. What right have they to dictate terms to me—to tell me what I must do?" In short, "THIS IS MY BUSINESS. WHAT RIGHT HAVE THEY TO RUN MY BUSINESS?" In reply we say, WHAT RIGHT HAVE YOU TO RUN THEIR BUSINESS? It is not your business; it is their CENTRALIZED, and you should have nothing to say about it; and the time is coming when you will not. They ran it before and had all the say in it, and the time is coming when they will again. You'll get what belongs to you, and then you'll have to—"go away back and sit down."

But Marcus A. Hanna has just informed us that he is "the friend of labor;" that he believes in the "labor union," that he'll "never die happy until he has done something for the cause of labor," etc., etc., etc. THERE IS THE MOST DANGEROUS MAN IN THE UNITED STATES. He knows how to fool the people. He sees that organized labor is now rapidly waking up to the fact that the "trust" is their great enemy—and the Republican party is the "party of the trusts." And, as head of, and spokesman of the Republican party and the trusts hidden back of it, he is now trying to herd them back into the party again by pretending to be their friend—by trying to make them believe that he and the Republican party are on their side of the struggle as against the trusts—when, in fact, they are a part of the other side.

The "labor union" movement is becoming so powerful that they have to throw bouquets at it—while they fight it from ambush. This is the same game that has been played again and again. When a movement against them is new and weak they ridicule, slander and vilify it. They poison the people's minds against it. But once it becomes strong, they change their tactics. Then they come out as its "friend;" they join its

ranks; they get at its head and then—SIDETRACK IT, or cut the very life out of it when no one is looking. These are the tactics of the Republican party—or the “trusts.” But they are both the same. They are two parts of the same thing. One is the MACHINE and the other the POWER back of it—driving it, supplying it with the funds—the fuel. And a few days after informing us that he is “the friend of labor” Mark Hanna spoke in favor of cheap Chinese labor under the Subsidy Bill—the death to American labor and labor organization. Here is the “friend of labor” for you. It was this same “friend of labor,” too, that, as head of the Republican organization in 1896, sent notice to all the large employers of labor throughout the United States, telling them to warn their employees that “if the Republican party is not elected we are going to cut down your wages.” And labor was warned! Now, who says the “Republican Party” and the “Trusts” are not one and the same combination. You see, they work hand in hand. Ah, but how many millions of votes did they wring from unwilling labor by that one villainous act!

“Slaves, we have got control of your system and the situation and now you must sustain our policy—the policy by which we are plundering you, else we threaten to starve you into submission.” This is what it means, is it not? And yet “this is a free country;” “the land of the free,” etc. And this is the party that brags of “freeing the slaves”—only to make us slaves in their stead. Yes, it is the same party—IN NAME ONLY. It is the same party, “rotted to the core.” Lincoln would “turn in his grave” could he see it now. There never was a more powerful or a more corrupt organization in existence. It is the tool of the trusts and the trust money of the country is back of it to sustain it. “The friend of labor!”

They throw a hundred million dollars into a campaign when necessary. They buy up or bribe as many of the newspapers as possible. They hire the ablest speakers and the cleverest writers to go throughout the country and fool the people. In short, they throw plenty of money into a campaign and they win every time—they fool the people every time. And this money is the same money they took from us. They plunder us and then turn around and defeat us with the plunder. But we shall have more to say about the Republican party later on. Remember, the Republican party is the right hand of the trusts and all the foul deeds that the one has done the other is as guilty of. They all come home to her door. Other points

might be brought out in this connection, but we have said enough.

Now, I know I have repeated and gone over arguments unnecessarily, probably, but if I have it was only because of my eagerness to make them clear. This particular line of analysis is new, but we believe it to be perfectly sound and our whole desire is to set it forth just as we see it and so clearly that it cannot be misunderstood or misrepresented by those who will be forced to attack it in an endeavor to defend themselves. If we have repeated then, or have been overcareful, overlook it. It was all meant for clearness and to bring out the argument. And we reserve the privilege of repeating again, should we deem it necessary. We also use the plainest, simplest and the clearest language for the same purpose.

Let us state in closing that any hard things that we may say against the Republican party is not meant for you "honest Republicans," but it is all against the policy by which they fool you. Remember this: we do not wish to hurt your feelings. This little "clique" could never do anything without having a great party back of them to sustain them and carry out their policy, and they get it by fooling enough of the people, and they have fooled you. You would never support them a day could you see that they are your ruin. You are injured as much as we are. You are a part of the masses and we are all injured alike. You surely would never sustain the policy—a day—that leads to your ruin, could you see the light. We hope you may. Take no offense then, if we try to break down that policy.

CHAPTER X.

The Problem Solved.

Now, probably at the risk of repeating some, let us clearly set forth the SOLUTION.

We would solve this problem—or rather avoid it—by going back to first principles. That is, we would set about putting the control of industry—or that part of it that has centralized—back again in the hands of the people—in its new form, however,—thus giving them the power of regulating it for themselves, as of yore.

And, in regulating it, the first thing to do is to shorten the hours—or the time of labor—(in proportion with the improvement in machinery, or thereabouts) so everyone can have a chance to work; so everyone squeezed out of the old system by the change in industry can have a chance to work under this new system that has taken its place; so everyone can have a chance to engage in legitimate industry. For instance, in the case given: A “great industry,” or a particular line, fully supplies the demand for some certain article. And, with the steam and machinery power we have today, nearly all—if not all—the great lines are capable of doing so—too much so, in fact. And the best evidence of this are the gluts—and crises—we are coming to have every few years. Now, to supply this demand; as stated, 10,000 men are required who work 10 hours a day. And there is room for no more in the field. They fully supply the demand and it cannot be exceeded. To do so is to cause a glut, destroy the price, and throw them into bankruptcy—if they dare continue. The demand cannot be exceeded. And 10,000 men working 10 hours a day fully supply it—and that is the limit. **THERE IS ROOM FOR NO MORE.**

Now, if a machine comes in saving half the labor, it makes 1 man equal to 2; or, in other words, it makes 5,000 men equal to the 10,000. It saves half the labor. With its use the demand can be supplied with but half the human labor before required. Naturally, it will be brought in on account of its advantages. But then there must be a shortening up of $\frac{1}{2}$ in the labor force—somewhere. **THERE ABSOLUTELY MUST BE.**

"The demand cannot be exceeded. With this machine half the labor can supply it as fully as before—and that is the limit." There absolutely must be a shortening up of $\frac{1}{2}$. Now, there are only two ways—NO MORE—by which this shortening up can be made. EITHER THE NUMBERS MUST BE SHORTENED, ELSE THE HOURS; that is, 5,000 men at the 10 hours a day or the 10,000 at 5 hours. With this machine either of these will supply the demand—as fully as before—and "that is the limit." If such a machine comes in then, one or the other of these must be done—either the NUMBERS OF WORKERS must be shortened to $\frac{1}{2}$, else the HOURS OF WORK. ONE OR THE OTHER we say—and there is no other way.

But the first case is the one we have been describing; the one that is enforced at the present time under the dominion of a few, and we showed how it is all wrong; how it is turning everything "upside down," and leading to chaos and ruin—to the wreck of society; "playing the very devil!" Giving all the benefits to a few while injuring the masses with every act; turning millions out of employment annually and forcing them down on the glutted ranks of society. Shoving thousands—yes, tens of thousands—into the bogs of crime to mire—to mire; driving the innocent woman to the brothel and the child to the streets; putting the razor to the throat of the despondent father. To—etc., etc., etc.!!! No, I guess we do not want this one. Indeed, it is the very thing that we are trying to get away from; the thing that has given rise to all this clatter. Hence, THERE IS NOTHING LEFT TO DO, BUT TO TAKE THE OTHER—THE ONLY PROCESS LEFT; THAT IS, WE MUST SHORTEN THE HOURS; cut them down to $\frac{1}{2}$ —make them 5 instead of 10. This is what must be done; this, and nothing else. There is no alternative. There is nothing else left to do. There is absolutely no way of avoiding this—under the circumstances. And, as we shall see directly, IT PROVES TO BE THE RIGHT WAY, TOO—TO EVERYONE'S BENEFIT—if not directly, then indirectly. In short, we would simply put things in their natural order and then let them take their course.

(1) HOW IT WOULD BENEFIT THE WORKERS. We are to show first how it would benefit THE WORKERS and then THE PEOPLE AT LARGE.

In the first place, the workers' benefits would be increased in proportion to the savings of an improvement. This is how it should be, naturally. In the case given, $\frac{1}{2}$ their labor would be saved—the amount saved by the machine; that is, their

benefits would be doubled. They would have to work but half as long—and hard,—yet get the same pay. In short, they would go on working as before—the full numbers, the same wages, etc.—as smoothly as ever—the only difference being that they would have to work but half as long to earn it—5 hours a day instead of 10,—“half their labor saved.” In this way the machine would become what it really is—a “LABOR SAVING” invention. It would become an ASSISTANT TO the worker instead of a SUBSTITUTE FOR him—a BENEFIT instead of an INJURY. And this is what it naturally should be and always was too, while things were in their natural channel. You see, it would really amount to DOUBLING THEIR WAGES—FOR THE AMOUNT OF WORK DONE.

As to shortening the time, however, this could be done in other ways that would be of more convenience than the way mentioned. Instead of cutting the time down to 5 hours—or half a day—it might be made half a week, or half a month or half a year, etc., someone else working in his place the other half the time. It would amount to the same thing. Everyone would get his full pay just the same and have the other half the time for himself, to employ otherwise—or use at his leisure. He could use it in working at some other—or independent—trade or profession, thus increasing his income still further, no doubt. However, he might use it in educating himself, or in recreation. Or he might devote it to his family and to the improvement and beautification of his home. He could use it to suit his will. It would be his. This done in every line and with every improvement, as far as possible, would give all the benefits of improvement to the workers—using the means at the time.

Their labors would be lessened—their benefits increased—ever in proportion with the improvement in machinery; that is provided, of course, other conditions remained the same—THE NATURAL RESOURCES, ETC. And isn't this how it should be? Your reason and your sense of justice say YES. AND THIS IS HOW IT WAS BEFORE—when the worker produced independently; when he controlled the means and got all he produced.

A new machine coming in it passed into his hands, did it not? And, if it saved half the labor, it was his labor it saved, was it not? It made him capable of doing his work in half time,—or doing twice as much in the full time—did it not? In a word, IT DOUBLED HIS BENEFITS. He got all the benefits of

an improvement—and directly. He controlled the means—individually—and every improvement coming in under them went directly into his hands, improving his condition in the same proportion; that is, all other conditions being the same. This is how it was and always should be, and should it not be the same under the “new system;” the only difference being that here the workers work collectively, while there they worked singly—or individually. And so it would be, too, but for the control in this case being in the hands of a few, who seize and appropriate all the benefits to themselves—“with the fearful results as pointed out;” the fault—“IN THE CONTROL!” In other words, were things as they should be, the average benefit of the workers would be increased in proportion with the improvement in machinery and the means of industry. In the case given, they would be doubled—provided all conditions remained the same. That is, they would have to work but half as long for the same pay, which would amount to doubling their wages for the amount of work done. And they could have the balance of the time for themselves, to use at their leisure,—or work at something else to the increase of their incomes still further. To say the least, their average welfare would increase in proportion with improvement. And isn't this how it should be—and was? In a line too, where the supply does not equal the demand, or the demand is expanding over and above it, this principle would work JUST THE SAME. For instance, a machine coming in along such a line and saving half the labor. HERE THERE WOULD NOT HAVE TO BE A SHORTENING UP. The workers could go on working the full time as before. But in doing so they would produce twice as much and be twice as well off. It would double their incomes.

And should the limit of the demand be still unreached there would yet remain room for others to come in and partake of the same advantages. You see it is the same principle but here applied to a field where the amount of human labor is yet on the increase—in spite of the enormous improvement in machinery—instead of decreasing as in the other cases given and as is almost universally the rule today. In either case it is the worker that would get all the benefits of an improvement. In the first case half his labor would be saved and in the second his profits doubled. But they amount to the same thing—the doubling of his income for the amount of work done. And so it is under this principle wherever and however applied. THE WORKERS' BENEFITS ARE INCREASED IN PROPOR-

TION WITH THE IMPROVEMENT IN MACHINERY AND THE MEANS OF INDUSTRY. Having control of the means every improvement coming in under them PASSES INTO THEIR HANDS TOO—it becomes a part of the means in their hands—improving their condition in that proportion. They take all the benefits; “and so it was and always should be.”

(b) And their wages would be still further raised—probably doubled, or more—by giving them ALL THEY PRODUCE—ALL THE PRODUCT OF AN INDUSTRY. They got all this under the old system and why not the same under the new? There they had control, did all the work—individually—and got all the proceeds; here they do all the work just the same—but collectively—yet they get but a part of the proceeds,—in the form of wages. The few in control—our great stock and share holders—take the most of it. And for no other reason than as PAY for having the control; as INTEREST (or profit or rent) FOR THE MONEY (in the enterprise) THAT GIVES THEM THE CONTROL.

BUT PAY THEM BACK THEIR MONEY. Put the control back again in the hands of the people. Hire the same able managers to manage it that they have, and then let all the product—or its proceeds—go to the workers directly—THE ONES THAT PRODUCE IT.

Let it flow right into their pockets—as it naturally will and must when they have the control; as it did before, as it always should and as it is now too again in the few cases where we have taken it back. This would (still further) increase the wages of the workers as a whole—in proportion to the amount the few are now taking away. Or not raising the wages then it would go to the people in a lower price for the product. With the stopping of the profits the price would be cut down that much—to the real cost of production. We would have to charge only enough to run the plant, while as it is now they charge enough besides to make them millions and billions. Hence, their higher price. In either case then, it is the people that would get the benefit—IN HIGHER WAGES or in a LOWER PRICE,—or both. (Some feel that they have shown much when they try to show that labor is as well off as it was 100 years ago—IF IT IS. But they prove too much. They show how labor is robbed. The average condition of the worker should tend to improve in proportion with the improvement in the means—all conditions being the same—and if it has not it is because he has been robbed. If the means have improved several fold then his average condition should be several times better off.

instead of remaining the same.) We have touched on this point often but see its tremendous importance. We hope we have driven it home.

Let us hit it again.

This time we shall take an actual case.

One of the great corporations of the country has just issued a statement of its profits and expenditures for the year. We refer to the iron industry. They employ hundreds of thousands of men. The total profits, clear of expense, are stated to be over 112 millions of dollars, while the amount paid in wages to the workmen amounts to but 56 millions. That is, the PROFITS amount to ALMOST EXACTLY twice the WAGES. In other words, for every three dollars earned, clear of expense, the owners took two while the workers got but one. What a loud tale this tells! Mind you, the employees did all the work from top to bottom; from the able manager who gets upwards of \$100,000 a year down to the very lowest who probably gets not much more than \$100. In short, they do all the work, turn out all the product and yet get but one-third of it.

The few, who do nothing, our marble-mansioned millionaires; our "industrial parasites"—or "pirates," rather—the "respectable classes" take the other $\frac{2}{3}$. It is true they take it as profit—as INTEREST—for the money they have in the enterprise, and they are right too—under the present status of things. We do not dispute that. (Although it runs up sometimes as high as fifty cents on the dollar; GOOD PAY!) But pay them back their money—every dollar of it—so they can have no claim to take one cent of the profits. Discharge them entirely, but keep the same able managers that they have hired and then all the proceeds will flow into the pockets of the workers—increasing their general welfare three fold; else the price can be cut down to one-third. However, we prefer the former, or a middle course. The wages might be raised one-half and the price cut down the other half; ONE DOUBLED AND THE OTHER CUT IN TWO. * * * * *

And by the way, most, if not all of this "coterie" is over in Europe now taking in the coronation of Edward the VII. The new aristocracy bowing to the old. Oh no, "we are Americans, we are no admirers of royalty." And they are spending there the money they got in this way. Some have paid as high as \$30,000 for a seat—just to see him pass. J. P. Morgan himself made him a present of nearly \$2,000,000 of it in robes and jewels and gilt garters. And yet—and yet at this very

writing the greatest strike in the world's history is going on—in his mines and industries. Nearly a quarter of a million of workers are out already, and the prospects are it may run up to twice that next week. A tremendous strike—and for what? Simply because he and his refuse to give **THEM** a cent—**increase** in pay. Millions for royalty but not a cent for those who made it. Oh, but “we—we are Americans,” plain simple Americans.

Too, they refuse to recognize the union—“the friends of labor.” But worse, they have out the state militia, that these same workers have to help to support, to enforce their side of the struggle, with all “right” on the other side. Do you remember what they did in 1894, during the great railroad strike? On investigation it was discovered afterwards that they were the ones that burnt up their own cars in order to create a riot and stir up feeling against the strikers, and thus have an excuse to call out the militia. And they succeeded. The strikers were shot down and routed. Can you blame one for being bitter when he sees all this? Again, others turn around and donate \$100,000,000 of it to the founding of a great university—in the cause of education? No, but as monument to preserve their names, while the millions of workers from whose sweat it came, and to whom it should be dedicated, go to their graves—forgotten—“unsung,”—unthanked even!

And when a professor in one of these universities is bold enough to step forward and explain this same thing that we are explaining here he is promptly dismissed as a “dangerous” advocate of “unsound doctrine;” “a stirrer up of discontent.” How about Prof. Ross? How about Prof. Bemis? How about Profs. Howard and Andrews—and the score of others? “Sirs, we pay you to help us fool the people.” They even go so far as to call them anarchists. Anarchism! This is the club with which they have brained every movement against them. But it is our turn now, we hope. We can, if we stand together.

LET US ALL STAND TOGETHER. There is the “slogan”—“**STAND TOGETHER.**” “**UNITE!**” They villify anyone who dares to move against them. But there are some of us who are not afraid.

And their paid Republican presses throughout the country are the organs through which they do it. These are the talking ends of their machine. But answer our arguments—if you can. If we are wrong we want to know it. Once you understand the game you see the trick every time.

Just now—before the campaign you know—many of the large corporations are voluntarily raising the wages of their employees in order to gain the good will of the people and especially of the laboring people who are threatening to leave them and organize a party of their own. Mark Hanna has raised his—of course,—the “friend of labor,” and all the Republican presses throughout the country are printing it in large type.

Mark Hanna is always doing something. He is the busiest man in the United States—in his way. It is only a few weeks since he organized himself a nice little “Arbitration Committee,” to help labor settle its disputes—the “friend of labor,” you know. But his brother trusts refused to arbitrate. “We have NOTHING to arbitrate.” No, indeed, in its REAL sense. And you should have NOTHING to say about it. Let me inform Mark Hanna that the Labor Problem will never be settled—labor will never be “arbitrated”—or appeased,—until it gets all its due, and you know now how much that is.

Now, too, under the leadership of Roosevelt, they are advocating “government control of the trusts”—just before election, you know,—after having full control of the government for years and doing nothing. Think of the trusts passing legislation to check themselves! Do they mean it?—fool the people; “fool the people and then plunder them” is the only real platform they have.

But we have drifted from the point. Notice, it is not CAPITAL, that we are fighting but its MONOPOLIZATION. One is a good thing, the other an evil. . . .

(c) But there is still another way that it would increase their incomes, and it is the most important just now.

It would give labor all the benefits of EXPANSION and the increase of FOREIGN TRADE—increasing their proceeds in the same proportion. We believe in expansion, that is legitimate expansion, not the “water-cure” kind we are having now. We believe the best nations should lead and rule the world, but run over none in doing so. We believe that they should supply the world’s markets—if they can beat others in the race. This is EVOLUTION, and Evolution is a great and irresistible law of nature. It is GROWTH. Let us expand; let us grow; let us press out legitimately. Let us lead the world—if we can.

Yes, we believe in expansion—we believe in supplying the world’s markets,—BUT WE BELIEVE THE WORKERS—THE ONES

THAT DO IT—ARE THE ONES THAT SHOULD GET THE BENEFITS OF IT and not the FEW BILLIONAIRES IN CONTROL, AS IS NOW THE CASE. Let us see how it works now. Like everything else the few in control take all the benefits. For instance, we press out into foreign fields and markets until we have increased our export trade two fold. Who gets the benefits? They do. Their profits are doubled, while your wages remain the same. You get a "full dinner pail." Now, press out still further, take Cuba etc, until the export markets are increased 3 fold. The "great industries" in America turn out 3 times more; it all passes into their hands; they sell it and their profits are increased 3 fold, while you get the same wages as before—a "full dinner pail."

Increase it 5 fold and their profits are increased in that proportion while you get the same old "dinner pail" that you had when you started. In a word, the HOG takes it all." You do all the work and they take the proceeds. You are no better off than when you started while their profits have increased in proportion with the increase in foreign trade.

There is but one way that it helps the workers. It increases their chances to get back to work. The more produced the more labor required to produce it. In this way it gives a part of the large masses displaced by the present damnable system a chance to get back to work again. But here is the point: once back THEIR WAGES REMAIN THE SAME WHILE THE PROFITS GO ON INCREASING ON THE OTHER SIDE step to step with expansion. They take it all with this exception. Same old story. They are getting possession of all our MEANS. They are taking most of the PRODUCT of them. They are taking all the benefits of MACHINERY and improvement coming in under them; and here we discover that they are taking all the benefits of EXPANSION, now the "prosperity" slogan of the Republican Party—prosperity for whom? themselves—"the trusts." The "respectable classes!" You are given a "full dinner pail"; the slave HAD to get that much; and yet you are told much about "liberty", "freedom" "prosperity, etc. You must get over the idea of thinking that they are doing everything FOR you. They are taking everything FROM you.

You must get over the idea of thanking them for this kind of "prosperity." They steal the loaf that you make and then give you a few of the crumbs and you hurrah for them. Poor fools! This is how they have been winning their campaigns. They steal the purse out of your pocket when you are not

looking, and then run to you in your need with a few of the coppers. And you are ever so much obliged for the "prosperity" thus given you. You feel you are getting something for nothing. Then you vote for them. You give them anything they want. They take everything but the "dinner pail" and as soon as they get a chance they take that too; as soon as new machinery comes in—it works without a "dinner pail" you know, it needs nothing—they turn you out and put it in your places; as soon as they get a chance they take your "dinner pail" too.

Too, in their greediness to take it all from others or other nations they blindly run on until they have exceeded the demand and then they have to stop. The crisis bursts and you find yourself out on the streets with—an "empty dinner pail." They can well afford to lay off but you cannot. You must starve. This is always the climax of their "prosperity." You get a "full dinner pail" while their prosperity is expanding and you get "a starve" when it stops. But hold!—the slave got a "full dinner pail" all the time; he HAD to. Are you as well off as the slave?—in the long run? "Sweet land of liberty!!!" Mark Hanna, the "friend of labor" swept the Republican party to victory in 1900 with the "full dinner pail" argument. Use it now?

But let us put a stop to this. Let us put the control back again in the hands of the people so all the profits can flow into the pockets of the workers who produce it—who with their families compose the great majority of the people of America. Then, if we expand, if the foreign trade increases 2, 3, or 5 fold their general welfare, TAKING THEM AS A WHOLE, will expand in the same proportion. In short, let us take the same active, progressive expansion policy that they have—leaving aside the illegitimate phases of it—leaving aside the "make Samar a howling wilderness" side of it,—but let us have it for the AMERICAN PEOPLE and not for a handful of billionaires. And, with the fullest expansion, if some are still left unemployed shorten up the hours enough— $\frac{1}{2}$ or more, if necessary. MAKE ROOM! Give all a chance.

But let us show how they were forced to expansion by their own acts. Their policy not only ruined the country but crippled themselves. To make our argument very clear let us take an extreme example; later we shall modify it to fit the actual conditions. Supposing there is a little nation of 100,000 population, and all the means of carrying on industry are centered

in the hands of a few. All others work for these. **THEY FULLY SUPPLY THE DEMAND. ALL HAVE WORK, get good wages; etc.** Let us assume that they are getting along nicely under the circumstances.

Now, supposing the machinery improves until half the labor is saved. The demand—and it is the limit—can be supplied then with but half the labor. Consequently, the amount of human labor must be cut down to one-half. But having the control they naturally will do it by cutting the **NUMBERS** instead of the **HOURS**, so as to take all the benefits to themselves—as we have shown.

They cut down the numbers to one-half. They turn off 50,000 men—more or less—and keep the balance on the same terms as before,—the same hours, the same wages, etc. They now supply the demand with but 50,000 men. You know what wreck this leads to,—how it ruins the workers and all society. **BUT WHAT ELSE DOES IT DO? IT CRIPPLES THE CAPITALISTS THEMSELVES.** They cripple themselves—finally. By taking this course they reduce the purchasing power of the people to one-half.

Before, there were 100,000 working and could buy. Now but 50,000—on the same terms. **THE PURCHASING POWER OF THAT LITTLE NATION IS REDUCED TO ONE-HALF—more or less. AS A CONSEQUENCE THEY CAN SELL BUT HALF AS MUCH AS BEFORE.** See the point? **THEY CRIPPLE THEMSELVES TO THAT EXTENT.**

The ones turned out cannot buy. They are doing nothing—and have nothing. And if they live it is by living on the others. They beg from them. They impose on them. They steal from them. They fake their money away from them. They get it by illegitimate means and businesses. They engage in unnecessary trades and professions, and the workers have to support them—in a higher price. In a word, the other half live on these. But whatever they may get this way does not increase the purchasing power one whit. It is cut down to half. Half are getting it and the other half are living by getting a little of it away from them—in the thousand and one ways it is done. **IF IT IS INCREASED ANY IT IS BY WHAT THEY GET AWAY FROM THE CAPITALISTS THEMSELVES,** or by some independent or original work, which must be very limited under the circumstances—considering that the few control the means.

Now, supposing the machinery goes on improving until one-third the original number can supply the demand. As a con-

sequence the purchasing power is cut down to that limit—more or less. Two thirds are displaced now and their ability to buy destroyed. But one-third are working and can buy. In other words, where the “purchasing power” of the people was up to \$100,000 a day to begin with, now it is but \$33,000—or thereabouts.

Let the machinery improve to one-fourth, and they can sell but one-fourth what they could in the beginning. This is still another thing that results from “shortening the numbers instead of the hours.” Everyone is injured in the end. And thus you see that in their greediness to “take it all,” THEY NOT ONLY INJURE SOCIETY TO THE EXTENT OF IMPROVEMENT BUT CRIPPLE THEMSELVES TO THE SAME EXTENT—FINALLY—, WHEN IT SHOULD BE DIRECTLY THE OTHER WAY. They become tangled in their own web. They strangle themselves in trying to take too much. The whole thing winds up in a terrible state of affairs.

And no matter what the resources of that little nation may be, no matter how abundant or extensive, no matter how many billions of population it may be capable of carrying it must soon wither and die out amidst all its abundance—wound up at the stake and strangled—choked! While in this state every improvement shortens the reach instead of lengthening it; every step forward leads to ruin instead of betterment. The current of EVOLUTION doubles on its course and starts backward. Degeneration sets in; devolution—decay! However, the crippled “purchasing power”—or the “crippled demand,” what it really is—may be improved some by their squander and carouse. They lose a million at the gambling table and the people get it. They spend another million or two in building a fine yacht, and the people get it—in doing the work. They spend a few more on a marble mansion, etc, etc, etc.

Hence, the more squander the better—while this “kind of thing” lasts.

These are the necessary “waste pipes” to the present system; they keep the system moving; they keep it from clogging up entirely. How many are living now on the dregs from the “waste pipes” it would be surprising to know.

This is an extreme case, it is true, but it is exactly what things are coming to. The tendency is moving this way—and rapidly, in progression with improvement. We need not paint it here. We have shown it clearly in earlier chapters—we hope. Our purpose now is to bring out the other side of the

situation, and show how their own policy cripples themselves even, when carried far enough.

The great principle of "Demand and Supply" is an irrevocable law of industry—as it is now carried on, at least, and by crippling that they cripple themselves. The people's "purchasing power" is crippled, then their "consumption," then the "demand" and finally the "supply." All society is crippled; everyone is injured.

We did not touch on this side of the problem sooner for the reason that we had all we could do to make the other side clear without letting anything foreign slip in and help to confuse it on us. We take it up now, but briefly, as it is a diversion from the main subject.

Now, Mark Hanna and his little "coterie" of trust magnates saw this stifling depression settling on themselves. They did not mind so much the devilment all that had been caused on the other side, but at last they felt the cords tightening around themselves.

They saw their "industries" clogging up and stopping every few years, and even on good years they could not run one-third their full capacity. This was true in 1890—a good year—and on other good years it was much the same, no doubt, while on bad years they had to stop entirely. They saw that their own grabbing, "take it all" policy had crippled themselves. They saw that it was becoming impossible to sell at all. They saw their "industries" actually coming to a stand still, although in a new country, with unlimited resources and not having one-thousand the population it is capable of carrying. They saw the crises of '93 and '96—when all industry had to come to a stand still and the fearful depressions that followed. And we saw—ah!—what all did we see? We saw Coxey armies march on Washington—and women too; men driven to desperation and gone mad with hunger—in a new country; and our "respectable classes" laughed and jeered. Read the papers of that time. We saw mad riots run rampant over the country. We saw the Homestead riots in Pennsylvania. We saw the Railroad riots in Chicago. We saw the dangerous times of '94. Indeed, at one time "there was a larger army out suppressing riots than Washington ever commanded." What was it but civil war? We saw the emigration tend to stop—and start the other way. We saw starving millions preparing to leave "our country,—'tis of thee sweet land of PROSPERITY." Some went to the wilds of South Africa, some to South America, some

to the jungles, some back to Europe again—anywhere, but to get away.

And yet—and yet—they left behind them a new and boundless country, most of it as yet lying fallow, and having but a handful of population. We felt the crises of '93 and '96. Indeed, it became dangerous to stay here at all. Anarchists broke loose in Chicago,—and in New York,—and in New Jersey. They struck men down. We saw all these things but we didn't understand. We see now—the cords were tightening! These were the struggles of death. "The freest people on earth were being strangled,—"by the leaders of "the party that freed the slaves!"

In a word, they saw that they had ruined their own people; they saw that they had gutted and plundered their home markets—until they could no longer sell. They saw trade falling off, and their "industries" actually coming to a stand still. They saw themselves crippled in the mad rush. They saw that the time had come when they must do something to save themselves, — and then a happy thought struck them: "If we can sell no more at home, then—well then—we must sell abroad;" "for we must have our ducats."

"If we have ruined our home markets then we must have foreign markets." Ah! Expansion; expansion—that is it,—and the vultures flew away in search of new carcasses." "Expansion or bust" became the cry. All of a sudden the Republican papers and politicians throughout the country took up the cry of "expansion." "Free Cuba;" "free Cuba." "Declare war against Spain." "Take the Hawaiian Islands"—anything to get it started. You know how they villified Cleveland for not opening the gates. They told us that our troubles were caused by over-production; that we had overgrown and needed more room—with but 60,000,000 of population. But the American people would not listen. They hesitated. They did not wish to break away from the "Monroe Doctrine"—their cherished ideal of freedom and liberty,—"no interference." They were bitter against the policy England had been pursuing; they would not tolerate it. The Republican papers urged and urged. The game has been played out since; we see it all now.

It was '96 now. The campaign was coming on, when up the line swung the Republican coach with a new driver on the box. It was Mark Hanna—"the business man in politics." And an able one he proved—for those inside. They leaned

back in their seats and smiled; their man was on the box. The race was on. You know how madly it was run—and they won. They had a good coachman now. But best of all they had a good whip, and he knew how to use it.

Remember it: "If the Republican party is not elected your wages are cut." The mules were whipped in line,—“and they won!” '96 passed; let us forget it—if we can. McKinley took his seat. He was a good man, an honest man, a kindly man, but a man without a backbone. He had absolutely no policy of his own. He was “the friend of Mark Hanna,” and it was Mark Hanna that gave the orders. He was like a child in his hands—simple, obedient, servile,—a piece of clay in the hands of a master. It was not for the nation he acted, but for his party—like a slave.

The government now had passed into the hands of “the few,” with everything else. Their party was in power, ready to enforce their policy—the policy they had made for it. They had full control. “The ship of state” was theirs now. Mark Hanna was at the helm—with all his crew on board. Now was the time to do something. Now was the time to sail for foreign ports. Now was the time to foist this new policy on the nation. Now was the time to secure expansion, once and for all. They were determined to do so before letting go. We see it all now.

Their papers still urged. They tried to work up public sentiment in favor of it. But the American people held back. Their men in Congress did the same. They talked much about war—to see how it would take. But they were afraid. It was unpopular. And this is something the sly dog politician will never do. He will never be caught on the unpopular side of a thing, however much right or justice there may be in it. He is always on the side the popularity and plunder is on, even if it is “reeking rotten.” The ghouls of society! They were afraid it might ruin them. It was the first breaking from American principles. The trust magnates themselves saw this. They saw that they could not afford to run the chances of wrecking their coach on this untrodden road—for then they would be lost indeed. How start the war, and yet avoid the responsibility if it should prove unpopular or disastrous. This was the only question that concerned them. Ah!—another happy thought. “IF SOMETHING SHOULD HAPPEN, TO PRECIPITATE IT.” We must have it, and we are all ready to push it through to a finish once it is started, but we cannot run the danger of wrecking ourselves in getting it. If something

would only happen to precipitate it. Then we could declare the war with the whole nation back of us. We could whip Spain easily—seize her islands in the East—raise the flag—establish our policy, and then turn to the American people and tell them that “the flag shall never be pulled down;” that “we are too brave a people to back down;” that “we shall never give up an inch of what we have gained.” Did they not? If something would only happen—AND ALL OF A SUDDEN THE THING HAPPENED. THE GRAND ACT WAS DONE,—THE MAINE WAS BLOWN UP. It happened a few months after their party went into power; and it happened in the enemy’s harbor—in the harbor of the nation that they had tried so hard to get a war with. And this harbor was in Cuba—“the bone of contention.” It was an American vessel. Four hundred American soldiers were blown to air, and the war was declared at once, with the whole nation back of it—to a man. Who did it? “We have never found out”—to this day,—not the slightest hint. But WHO—did it? Draw your own conclusion. Do not accept ours. We may be wrong; we do not know. We cannot prove it—positively. But look at the evidence. Was it a Spaniard? Was it a Cuban? Was it gas?—as they try to tell us now through their party papers; or was it—was it—an American sent over there by the moneyed greed of this country to commit that devilish act in her port, precipitate the war and get their policy started? Was it? Take your choice.—“and we never found out!”

Gas! They are telling us now through their party press that “it is universally admitted by all who are in a position to know that the Maine was blown up by internal gas.” They are scattering this throughout the country—after whipping Spain and taking her islands from her. After getting the policy established is it how they want to give us something now to quiet our inquiry?

Gas blew it up? Yet it is the first time in history that such a thing has happened, and it happened just where they wanted it, just when they wanted it, when they were all ready and waiting and had to have it to save themselves, and it happened just the way they wanted it. Gas? Lucky gas! But do you believe it? Did all these things HAPPEN, and happen JUST SO?—or was it all a fine spun scheme planned in '96, or thereabouts, and carried out afterwards to the letter—from the tapping of the Maine to the establishing of the flag in the Philippines? Did all this fine clock-work happen together and

in order—or was it put together and tuned to time? Is all this Philippine business, and the war that attended it, the spinning out of a deep-laid plot? Take your choice. “Who blew up the Maine?”

Anyhow, they got their foreign policy just when they had to have it. And now they are preparing to use it as a base of operations. It is their “stepping stone” to China. That was the purpose. All this was figured out, no doubt, before the “act” was done.

But worse, hundreds of thousands of our boys lost their lives in the fever swamps there, while the American people—you farmers and you laborers—have been taxed hundreds of millions to carry on the war that established it; and now who gets the benefit? They do! It is true **THEIR** foreign policy has given some relief—bad as it is. It has given an outlet for the displaced masses. It has given the tramps—that they made—some place to go to. And many of them have picked up their traps and left—all too glad to get away. They had to get out. They were starved out,—starved out of a new country.

Too, it has given many of those displaced a chance to get back to work again—on the “dinner pail” basis, however. It is poor “prosperity” for them, but it is better than nothing and they had nothing before. After being displaced for years, perhaps, you get a chance to get something to eat again—but that is all. “You get a **FULL DINNER PAIL**, and stay there, while their profits go on increasing on the other side—step to step with expansion.”

Americans, this game has been played long enough! Why not stop it when you are to gain everything by it? Why not cut the cords that bind you—and them too; that came near strangling you in '96, and that will soon again—as soon as they get their foreign markets filled up, which they must soon at the rate they are running on now and with the machine power they have today? Why not? Cut the cords—take back the control,—and then **ALL THE PROCEEDS OF INDUSTRY** will flow into your pockets, **ALL THE BENEFITS OF IMPROVEMENT**, **AND ALL THE PROCEEDS OF EXPANSION**. Push out an active, progressive but legitimate expansion policy—**BUT FOR YOURSELVES**—and your proceeds are increased accordingly. Cut the cords that bind you and strike for liberty!—for you never had less of it than you have now. You are slaves bound to a damnable system, with the cords ever tightening! It is true they have much to tell you about Freedom—and Liberty—and

Bravery—and Patriotism—and the Flag—and Our Country, but they do not mean it. It is the way they have of fooling you. The campaign is coming on. They are getting out their "brass bands" again, while their smooth, highly-paid politicians and newspapers are polishing up these fine sayings. The campaign of "fooling the people" is on again,—but for how long—how long?

But there is something more dreadful coming that the people do not seem to be aware of. As we have seen, the only thing that is saving you now is this expansion policy—bad as it is in itself. It has saved you. It has started your industries going again. It has given you a chance to get back to work and get something to eat again. It has saved you from the awful times of '96, and before—for awhile, at least.

In a word, this is your position now: You are living here but working abroad—for those abroad,—and the income comes from abroad. You are in reality living abroad. The bulk of the product goes abroad. "Expansion" is the only thing that is keeping the machine going in its now crippled condition. Your "bucket pail" depends on it. You can do nothing at home for the home-markets are tied up.

The natural source of life is clogged and the food must come through a new source. You would be in a terrible situation then should this new source be cut off—would you not? Yes, you would be in a terrible situation should our foreign markets cease or be cut off. Well, **THE CHANCES ARE THEY ARE GOING TO CUT THEM OFF THEMSELVES!** The chances are the "great industries" supplying the world's markets will be moved over to China—where they can have labor for 7 cents a day. Why not? Pay you a dollar when they can get the same thing over there for seven cents,—and have the product right near the markets instead of having to pay to ship it over?

You know how hard they fought against the Chinese Exclusion Bill; how hard they tried to bring that "seven cents a day" labor over here and turn you out on the streets. But they failed.

And now it is cheaper for them to move. Indeed, they are doing so already. Have you not heard of the great factories that are being built in Japan by American Capital? Have they not secured the Philippines as "a base of operations?"

Or, if we should forbid it, can they not step across to China and build them there? Are they not sitting around the

borders with stakes and chain all ready and waiting to survey and divide her up?

Say this is not true? Why give you a "full dinner pail" when they can have the same thing over there for a "little dinner pail?"

As a rule, it is the cheapest wage-paying nation that supplies the world's markets. Not much honor in being a "world power" is there? The more miserable her labor at home.

And when they leave—ah, when they leave—when they cut off the last pipe and your last source of existence is gone, then where will you be? Left!—abandoned, gagged and tied—to strangle! Your export trade is cut off to your very door. You can ship nothing abroad. You cannot compete with them in any foreign port. With their cheap labor they can undersell you every time. You may prevent them from shipping in here. But that does not save you. It is the foreign markets you must have now. But this will not happen, Americans, if you do your duty. Take your "industries" before they take them away.

They call us Anarchists for exposing all these things. But who are the real Anarchists that this country must deal with?—the ones that commit these devilish acts,—or the ones that give them away? The ones that have plundered and ruined "our country," or the ones that are trying to save it? . . .

SUMMARY.

(1) In short, we would put the CONTROL back again in the hands of the people and then all the PROCEEDS would flow directly into the hands of the workers who used the means at the time.

(2) Too, having the control, all the improvement in the means, or the machinery coming in under them, would pass directly into their hands, increasing their benefits in the same proportion. This would be done principally by SHORTENING THE HOURS—or the time of labor—in proportion with the improvement, or thereabouts. Their labor-toil would be lessened to that degree; or, it would amount to raising their wages for the amount of work done. In a word, their benefits or INCOMES would increase in proportion with improvement. They would get all the benefits of improvement. This is our SHORTENING PROCESS as contradistinguished from theirs. This is how we would keep inside the demand. And with the over-producing machine power we have today a shortening must be

made somewhere in order to keep inside that limit. There are but two ways of doing so and we would take this one. You are to judge which is right. We regard this as the most important thing to do after taking the control. First, TAKE CONTROL, and then SHORTEN—THE RIGHT WAY. Shorten up enough; shorten up as fast as improvement, at least, so it can displace none. Shorten up more, if necessary. Shorten up so all can have a chance to work; so that all squeezed out of the old system by the change in industry can have a chance to get a foothold under this new system that has taken its place, and who are now displaced and out on the road by their damnable system of shortening up. Shorten up to $\frac{1}{2}$, or more, if necessary. Give all a chance—a start. That is enough. Make room! In a case where the supply does not equal the demand a shortening up would not have to be made. But there are very few such cases today. However, the principle would work out just the same in this case. Having the control they would get all the benefits of the improvement. It would pass into their hands directly increasing their incomes in proportion to its increase of production.

(3) Again, having the control all the benefits of EXPANSION would flow into their hands and as a consequence their incomes would be still further increased, or in proportion to it.

In fact the workers would be benefited in every possible way. Undoubtedly, their average incomes would be increased 2, 3 or 4 times over, or more, to say the very least. This sounds too good to be true but examine the problem for yourselves. Tear it to pieces and look at it as it really is. Do not be deceived by the outside appearances of things. "All is not gold that shines." And you have been deceived long enough. The trouble now is we have grown so used to the present system—we are so wrapped up in it—that everything appears to be right and in order. "We cannot see the woods for the trees."

And in this change we would be doing nothing extraordinary. We would simply be going back again to the natural order of things. We would be putting this system on its right basis—on the same basis as the old. We would simply be giving the worker what belongs to him—all he got himself—and got before. And what a large class it would benefit. As shown the employee class has grown until in 1890 it was twice as large as all other classes put together—no matter how occupied; (on that year, the total of all persons engaged in gainful occupation numbered 22,000,000, while the employee class in-

cluded over 15,000,000 of these); this the result of the change in the system. And they, with their families, make up the great mass of the American people. And undoubtedly this process would reach the great majority of these—DIRECTLY, and the balance and all society INDIRECTLY as will be shown immediately.

Yes, it is true we would not have so many multi-millionaires and billionaires but we can get along very nicely without them, thank you. They are the cause of all our troubles. "Their gain is our loss." They have drained us to the very dregs. It is easy to fatten on the honey that others have made and then disrespect the makers—that make them. But put a stop to this drain. Turn back this flood of wealth into its natural channel. Let it flow into the pockets of the workers who make it and whose it is. And then you may look for a more prosperous people. Then it will be a pleasure to be a worker. Then, for real "prosperity."

1 HOW IT WOULD BENEFIT ALL THE INDEPENDENT BUSINESSES, TRADES AND PROFESSIONS AND SOCIETY, THE PEOPLE AT LARGE. It would benefit them just as much as the workers; notice, JUST AS MUCH AS THE WORKERS.

In the first place, it would put a stop to the large numbers thrown out of employment with every new improvement as is now the case, amounting probably to hundreds of thousands every year—all counted—and who in the absence of other opportunities are forced to resort to crime, or crowd down into and overcrowd the lesser fields, lessening the opportunities of all in proportion to the inflow—in short, giving rise to all the evils that have been pointed out.

But best of all, by still further shortening up you make room for that great mass that the present system has displaced and who are now endeavoring to live in precarious ways. That is, make a general shortening up in all lines, if necessary, so as to make room for the millions that have been displaced by the present system and who are now endeavoring to live somehow, in the absence of other opportunities, to their own misery and the ruin of society.

In a word, by our system of shortening up WE REPLACE THE ONES THAT THEY HAVE DISPLACED.

For instance, here is an industry employing 10,000 men who work 6 hours a day (shortened time), and fully supply the demand; that is, it requires just about 60,000 hours of work a day to supply that demand—the limit.

Now, make the hours 5 instead of 6 and it will require 12,000 men, viz: $5 \times 12,000 = 60,000$. Thus by shortening the time one hour you make room for 2,000 to come in. This done in all the great fields as far as necessary would relieve the small trades, businesses, professions, the farming industry, etc., to that extent. In short, all the small and independent lines that have now become fearfully overcrowded as a result of the present process so much so, in fact, that it is almost impossible to make a living in any of them, without resorting to dishonest means, would be relieved in proportion to the application of this new process. In this way you would make opening for millions now displaced and shut out. You would give them a chance to get back into the field of (legitimate) industry again. And in doing so you would relieve society and all independent business to that extent.

Then there could be no excuse for a healthy person's resorting to crime in order to live, as there is now. Neither could we tolerate his stealing, or his begging, or his faking, or his tramping or swindling as we must now. There would be plenty of legitimate opportunities and openings for him to engage in. Then the crime would be his—and not society's—and we could punish him to the full extent of the law, and with a free conscience, which we cannot now. He is forced to it now and often excusable. Of course, there will always be a certain percentage of criminals and paupers—the debased, indifferent and helpless. No society, however perfect, can rid itself wholly of these. This general shortening up—the right way—would tend to undo the mischief that they have been doing for years. It would start the flow the other way and tend to replace or reinstate in the great fields the large numbers that they have displaced in their greediness to take it all—all the benefits of improvement. In a word, we would simply be undoing the bad work that they have done. We would be doing the shortening—or rather the kind of shortening—that they ought to have done years ago when the improvement came in. We would be replacing the ones that they displaced. We would be catching up with improvement that came in years ago. . . .

In closing we would ask the FARMERS, the LABORERS and the SMALL MIDDLEMEN to stand together. These make up "THE MASSES"—or the greater part of them. Stand together and unite on the one issue, and there is but one—the CONTROL OF INDUSTRY and its proper Regulation. All Democrats, Pop-

ulists, Socialists, Honest Republicans and other Reformers should unite with them.

And when united you can do anything you please. You will have at least 9-10ths the votes on your side and can change things very quickly to suit yourselves.

Quit your quarreling and get together, for you are all injured alike and by the one same thing.

It is almost laughable to see the Democratic party hunting for "an issue,"—"something to unite on." Why, there never was a greater "issue" than there is today, and the world was never in such need of a great reform party as it is now, and there never was a better opportunity to build one.

The issue is single, clear and distinct, and all the evidence and right is on your side—a whole mountain of it, while there is not one grain—not one particle—on the other; yet they have everything! And when properly presented it makes the most powerful—yes the most tremendous argument that has ever been put forward. It sweeps everything before it.

You must unite. Throw down your old—your "conservative" leaders. They are only holding you back—through ignorance or because of their own interests. Put up your own men, and men who understand what must be done—and are not afraid to do it. Stand together on this new issue. Get together and you can sweep the country. If you want to do something for yourselves and for your country now is the time. You never had a better opportunity, and you have the numbers. You must destroy that little clique that has plundered and ruined the country. And to do so you must destroy their organization. They could do nothing had they not a great party to control the government and carry out their schemes under the guise of law, and they have it in the Republican party. This is no longer a party of the people. It is their party,—their organization. It is the fortification behind which they work.

They support it, make its policies, fool you into supporting them and then rob you.

The "trust" money of the country is back of it, and it is by and for the "trusts" it is run.

They throw hundreds of millions of dollars into a campaign. Every "Republican club" and "central committee," receives its share—and more—when necessary to carry a district.

A campaign is coming on. Watch it. They get out all the "brass bands" and the banners. They wave the flag and shout

for "liberty" and "patriotism"—when all the time they are robbing you. Plenty of noise and enthusiasm, and a pompous showing is all that is necessary to catch the "riff raff," as they call it, and the "trusts" supply the money to give them plenty of that.

They hire the very ablest speakers and the trickiest writers to trump up their side and villify the opposing leaders. All the small country papers are bought up, or paid handsomely to do the same. Indeed, Mark Hanna says that this is the surest way to carry a campaign. "Get control of the rural press." Buy them up or bribe them so the other side can have no organ to speak for them,—then they can be vilified and misrepresented at pleasure. They even go so far as to establish presses to carry on this kind of work. They established two in the county where this is being written. The sensational magazines, too, and all other publications of wide circulation have passed into their hands. And so the campaign of "fooling the people" goes on with the trust money of the country backing it.

Too, all the corrupt politicians have flocked to their side. They always herd for the side the boodle is on. "They work for the party faithfully"—in helping it to "fool the people,"—and when election time comes they get the offices. What an active interest they take in the Grand Old Party, in aiding, supporting and trumping it up—the very organization that has ruined you—and yet you vote for them.

The country is full of this kind. Every little town has its share. They are the willing assistants and confederates to this Grand Fraud—for the little they get out of it.

But Americans, you must vote them down from top to bottom, from President to Justice of the Peace.

Every vote given to one of their nominees is that much aid and strength given to the organization that is your ruin. It is true they have some good men but in supporting them you are strengthening by that much the very organization that must be destroyed. Remember this! Vote them all down. Tell them that if they want your votes they must first leave the Party. This Grand Old Fraud must be broken up. Tear it to pieces. Shake it to the very ground. It is the most patriotic thing that you can do—for the country is now in danger of being destroyed by the very Party that brags of having saved it. We never were in such danger. Remember the crisis of '96! Well, we are soon to have another.

Most Anti-Republican Parties are made up of honest, sincere men. They know that something is wrong, and they see the rottenness on the other side. But they are divided. They must get together, Unite, and victory is complete.

(In later chapters of "The New Democracy" "Direct Legislation," the "Civil Service," the "Increase of Population," the "management" of these "great industries," the New Zealand land system;" "local legislation;" "primary laws;" the "initiative and referendum," and all other "Problems" of today are fully and clearly discussed in harmony with this theory.)

—ten years later I returned from my trip—to the moon,—and on my way home stopped off at the National Capital. I noticed that everyone was whistling what seemed to be a popular air. The newsboys had it; the milk boys had it; the girls were humming it. It was very pleasant, and the people seemed to have gone happy mad on it.

On passing the White House there was a band out on the lawn playing it; there was another across the street, and on the piazza of the capital I saw another; and others were getting ready.

I stepped up to a young lady—and she was very good looking—and I asked her politely what air it could be that had taken the people so. She looked at me with surprise for a moment and then replied that it was the "New Democracy." I apologized for my ignorance but told her that I had been away, and then she informed me of all that had happened and I "wasn't a DARNING bit surprised."

That evening I was going out to the suburbs to see a friend. It was getting late and I had to hurry, so I took a short cut across the National cemetery. I had crossed the back part and the paupers' lot where all the Nation's wrecks are laid. I had crossed the little creek near that old oak, and was just about to enter the woods when I saw a procession coming out. What they could be doing in there surprised me at the time, but I learned since that they had gone there to stay. It dragged along slowly to the paupers's side. The whole thing was so striking, so odd, so strange that I stepped back in the shade to watch it, and the deep stillness, the darkness and the desolation of the place added to the feeling of awe it brought over me. It reminded me of a crippled animal, dragging itself off to die alone—abandoned. In passing it moved up near me. I noticed then what a haggard appearance it had. There were

not many followers, but they appeared to be in the deepest and most awful sorrow. The hearse was extraordinarily large. Indeed, it was not a hearse at all but for the function it served. I think now it must have been an old lumber wagon. The corpse, too, appeared very bulky. In my awe I shrunk back as they were passing me. Just then the driver leaned over heavily to avoid a branch; the moon struck his face—and oh!—I recognized him! I shall never forget it—it was Mark Hanna—"the coachman!" But he was different now; his face was sad, drawn and wasted; he was old and weary-looking, and all that puffy appearance had gone.

It passed on. I glanced at the followers, and my God there was Morgan—and there Hill—and there Vanderbilt—there Gould—and there—and there— But how lean and shabby they looked! I thought I understood;—I turned quickly to the corpse. Yes, I saw then. They were burying the dead "elephant!" Bolivar was no more. The flame had flickered out. I stood there and thought. What all did I think of? I preached the sermon—to myself. I thought of Lincoln who led it out and rode it through the first campaign; the great victory for freedom it had won. And here it was now—played out; nothing but the dead carcass left! I thought of all that had happened since then; how it had passed into the hands of new drivers; how they got "drunk with success" and drove it until they drove it mad, and the ruin, the wreck—the chaos it left in its mad career. —"and now it was dead"—driven to death! I thought of the homes wrecked and the homeless children; I thought of the misery all that had followed in its wake; I thought of — and thought—

How long I stood there I cannot say, but I was very late and slept but little that night; and the next morning I took the train for San Luis Obispo.

Hand this pamphlet to your neighbors and get them to read it. Pass it on—pass it on; wake up the people. Read "The New Democracy" and "The Evolution of Industry." Organize "New Democracy Clubs" and unite on a "New Democracy Platform."

EUGENE P. HOURIHAN.

July 20, 1902.
San Luis Obispo, California.

